1996

Ontario Economic Outlook and Fiscal Review

The Honourable Ernie Eves, Q.C.
Minister of Finance

Ontario

Ministry of Finance

1996
ONTARIO
ECONOMIC OUTLOOK
AND FISCAL REVIEW

The Honourable

Ernie Eves, Q.C.

Minister of Finance

Ontario

General enquiries regarding policy in the
1996 Economic Outlook and Fiscal Review should be directed to:

Ministry of Finance
Frost Building South, Queen's Park
Toronto, Ontario M7A 1Y7
(416) 325-0333

Copies are available free from:
Publications Ontario Bookstore
880 Bay Street, Toronto
Telephone (416) 326-5300

Or call:

Ministry of Finance	1-800-263-7965
French Language Enquiries	1-800-668-5821
Telephone Device for the Hearing Impaired (TTY)	1-800-263-7776

Out-of-town customers write or call:
Publications Ontario Mail Order Service
880 Bay Street, 5th Floor
Toronto, Ontario M7A 1N8
Toll-free long distance 1-800-668-9938

ISSN 0837-7529

Le document *Perspectives économiques et revue financière de l'Ontario* est disponible en français.

Table of Contents

Ontario Economy at a Glance

Per cent	1995 Actual	1996 Ontario Finance	1996 Private Consensus	1997 Ontario Finance	1997 Private Consensus	1998 Ontario Finance	1998 Private Consensus
Real GDP growth	3.2	2.3	1.9	2.9	3.3	3.0	3.4
Unemployment rate	8.7	9.1	8.9	8.2-8.7	8.5	7.9-8.4	8.3
CPI inflation	2.4	1.4	1.4	1.6	1.7	1.8	1.8

Sources: Statistics Canada and Ontario Ministry of Finance Survey of Forecasts (November 1996)

- This paper presents projections for the Ontario economy that are based on reasonable assumptions about key features of the external environment, including exchange rates and the performance of the United States economy and higher-than-consensus interest rate assumptions. Cautious projections have been adopted to provide a prudent fiscal plan and should not be interpreted as targets for the Ontario economy.

The Outlook in Brief

Real economic growth is expected to improve over the next two years.

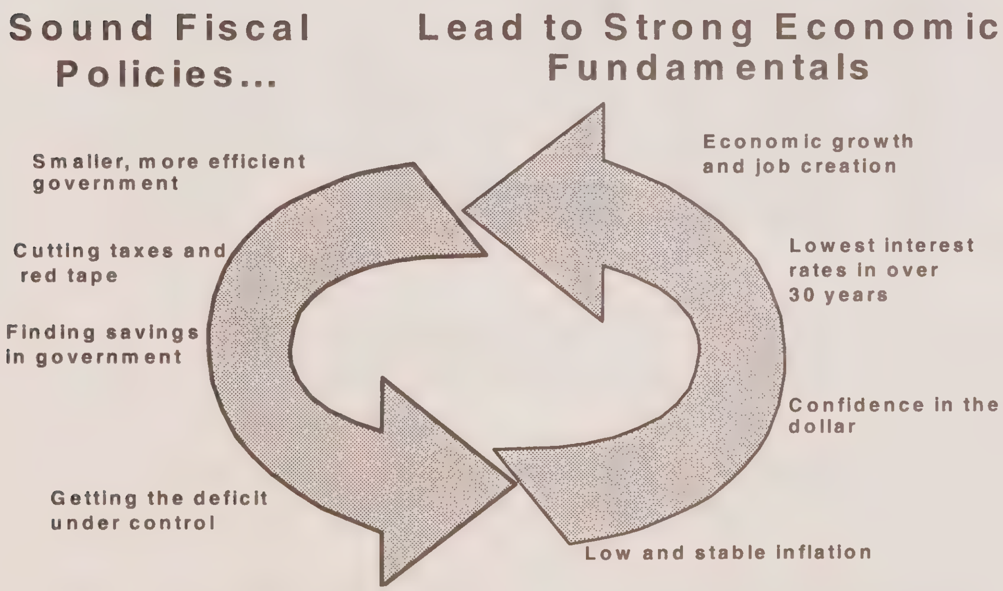
- Economic growth picked up over the second half of 1996 and this should continue into 1997 and 1998, supported by tax cuts, lower interest rates and improved confidence.
- With stronger growth in output and jobs, the unemployment rate is projected to decline in 1997 and 1998.
- Ontario is expected to maintain a very low rate of inflation.
- The Ontario Ministry of Finance is using prudent economic assumptions, which are below the average of private-sector forecasts for growth and inflation. Lower inflation adds an additional element of caution, since this implies lower revenues.
- For prudent fiscal planning purposes, interest rate projections are also deliberately cautious. Interest rates are assumed to be one full percentage point higher than the average of private-sector forecasts in 1997 and 1998.

Building on Strength

Economic Fundamentals and Sound Policy

The Ontario economy is responding to a combination of strong economic fundamentals and sound fiscal and economic policies.

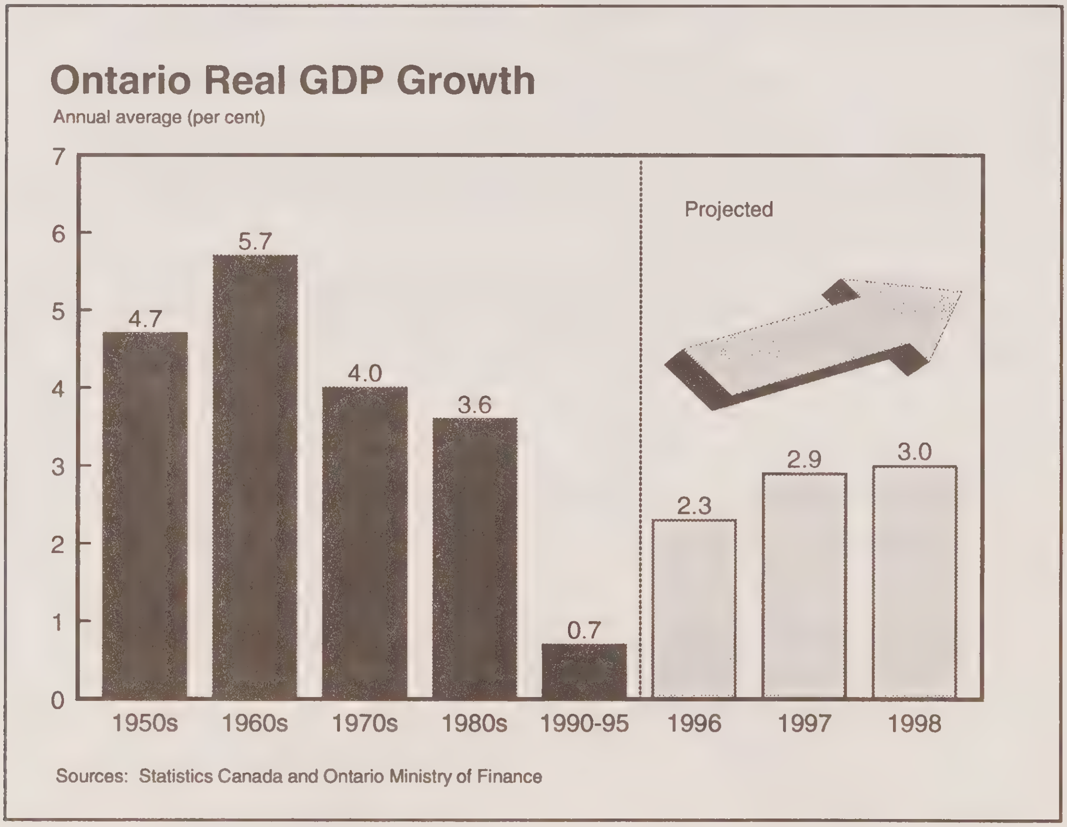
- Investor and business confidence is rising as Ontario's fiscal and economic performance improves. Reducing the deficit and moving toward a balanced budget have paved the way for further growth and job creation.
- Ontario firms are expanding their export markets strongly, capitalizing on freer trade and better cost competitiveness. High-technology sectors account for the bulk of output growth.
- Ontario businesses are investing heavily in new technologies and machinery and equipment. This is paying off in rising productivity and improved competitiveness.
- The province's highly skilled and educated workforce is a key source of competitive advantage.



Getting Back on Track

The improving outlook over the next couple of years contrasts with the province's economic performance in the early 1990s. Weak growth in the first half of the decade reflected policies that discouraged growth and a difficult macroeconomic environment. After growing at an average annual rate of 4.4 per cent over the post-war period, average annual real growth slowed to 0.7 per cent over the 1990–1995 period.

Sound economic and fiscal policies are strengthening the economy and will continue to do so over the medium term.

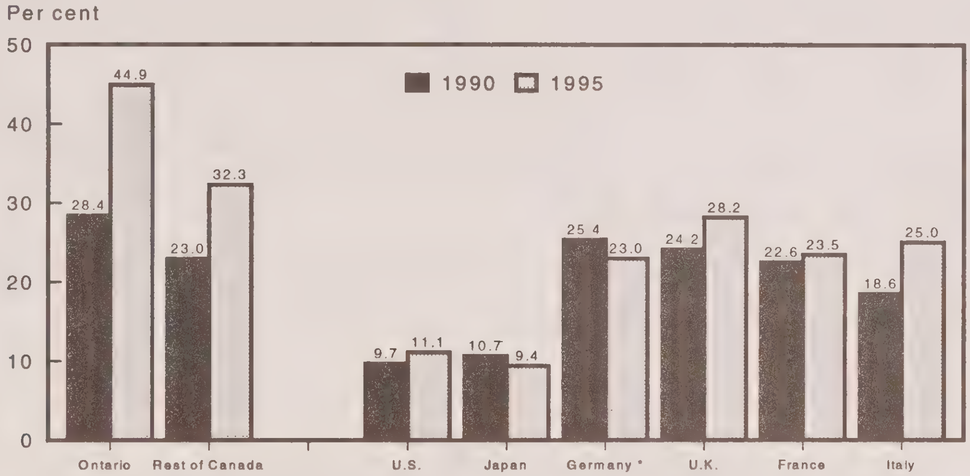


- Ontario's real growth is projected to rise from an estimated 2.3 per cent in 1996 to 2.9 per cent in 1997 and 3.0 per cent in 1998.
- Job creation is projected to accelerate as lower taxes, lower interest rates and improved confidence strengthen domestic spending.

More Open and Competitive Economy

Ontario's manufacturing sector has successfully undergone a major restructuring, with most sub-sectors showing dramatic increases in exports since 1990. Except for Italy, Ontario exports rose faster than those in any G-7 country or the rest of Canada over the 1990–95 period. Export and output gains are now translating into employment and income gains across a wide range of export industries.

Exports as a Percentage of GDP



* 1991 data.
Sources: 1996 OECD Quarterly National Accounts and Ontario Ministry of Finance

- Ontario's international exports grew by 78 per cent, or $62 billion over the 1990-95 period. International exports currently equal 45 per cent of provincial GDP and account for 48 per cent of Canada's exports.
- Manufacturing employment has grown by 174,000 since its trough in early 1992.
- Output growth over the 1990-1995 period was led by the electronic and electrical products' 14 per cent annual gain and the auto sector's 5.2 per cent annual increase.

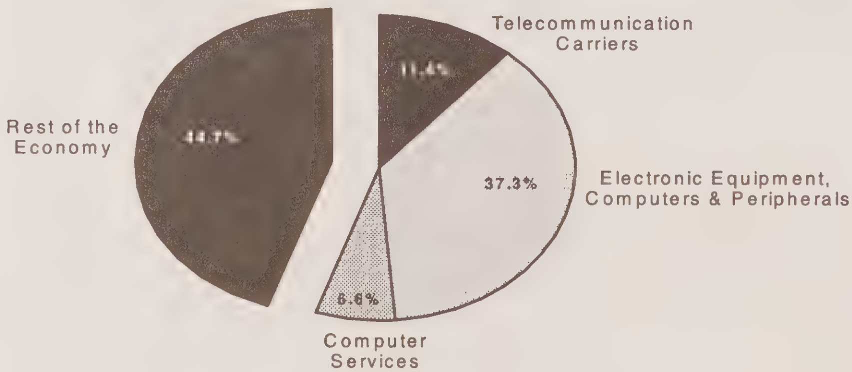
High—Tech Industries Power Up for Growth

Ontario high-tech businesses have successfully restructured and expanded to capture an increasing share of rising world demand for information-based technology and high-tech products. Industries such as electronics manufacturing, computers and peripherals and information-based computer services are providing new growth and export opportunities for the Ontario economy.

Ontario exporters of telecommunications, computers and other high-technology business equipment are competing effectively with Japanese and German suppliers in penetrating the U.S. market. Exports to developing economies are also expanding.

Ontario's skilled workforce, a modern advanced education system and a competitive Canadian dollar make the province a highly cost-effective competitor in the high-tech sector.

Contribution to Ontario GDP Growth, 1990-1995



Sources: Statistics Canada and Ontario Ministry of Finance

- High-tech industries, which account for nine per cent of output, were responsible for over half of Ontario's real GDP growth between 1990 and 1995. In addition to their direct contribution to the Ontario economy, these industries also provide indirect benefits to other sectors that use high-technology inputs to expand and modernize their own production.
- High-tech industries now account for 18.1 per cent of Ontario's manufacturing value added, up from 9.6 per cent in 1980.

Rising Capital Investment

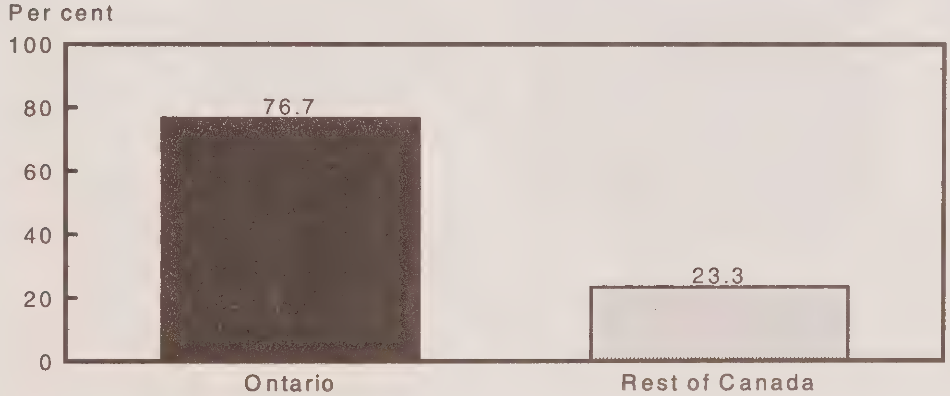
Ontario's standard of living depends on the economy's level of productivity (wealth creation). Capital investment is a key determinant of future productivity growth.

Investment increases productivity because it means that employees have more and better tools to work with and because the latest technology, embodied in new machinery and equipment, enables businesses to organize work more efficiently.

Ontario is leading the rest of Canada in new machinery and equipment investment. Communications and computer-related investments have been an important source of the rise in the province's machinery and equipment spending.

Contribution to Growth in Canada's Machinery and Equipment Investment

1996 Revised Intentions



Sources: Statistics Canada and Ontario Ministry of Finance

- Ontario is expected to account for over three quarters of the growth in Canada's machinery and equipment investment during 1996.
- A number of industries are contributing to Ontario's strong showing, including transportation equipment, business and financial services, and wholesale trade industries.

Ontario Business on the Leading Edge

In today's economy, the pace of technological change is quickening. Investments in both R&D and technology adoption are critical for firms to keep their competitive edge.

Ontario is the most R&D-intensive province in Canada. Firms in Ontario perform more R&D than firms in all other provinces combined.

Ontario manufacturers have the highest rate of technology adoption in Canada. Businesses in Ontario are also the most sophisticated users of technology. They are better able to incorporate a variety of advanced technologies into their operations than firms in other provinces.

Share of Shipments Produced by Establishments Using Multiple* Advanced Technologies, Manufacturing Sector, 1993

*Use of at least one advanced technology from each of the following groups: design & engineering, fabrication & assembly, automated handling systems, inspection & communication, manufacturing information systems, and integration control.

Source: Statistics Canada

- ◆ 86 per cent of Ontario's manufacturing shipments are produced by establishments that use at least one advanced manufacturing technology.

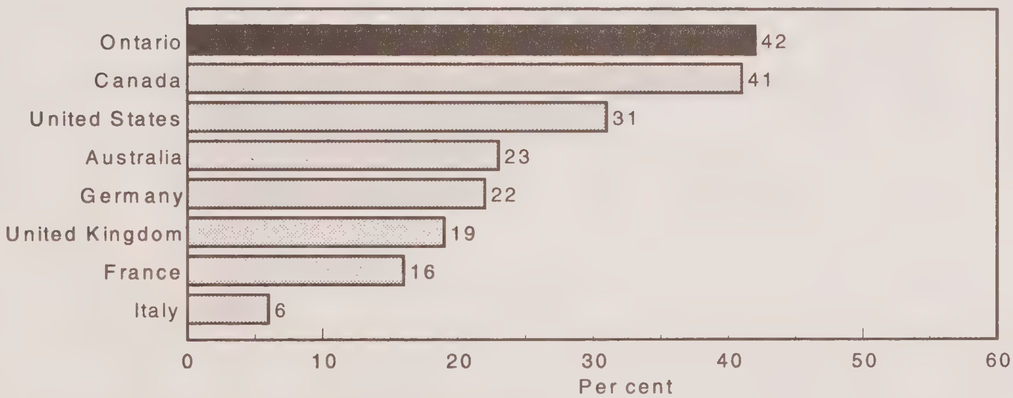
- ◆ 12 per cent of Ontario's manufacturing shipments are produced by establishments that use at least one technology from each of six advanced manufacturing technology groups, well ahead of the rest of Canada.

Highly Educated Workforce

Education provides a competitive advantage by boosting productivity and innovative capacity. Higher education is particularly important in today's knowledge-based economy.

Education also is increasingly important to individual success in the labour market. Educational attainment in Ontario has been rising steadily. All net new jobs since 1985 have gone to those with at least some post-secondary education, with over 95 per cent going to those with post-secondary degrees or certificates.

Share of Population Aged 25-64 With Completed Post-Secondary Education, 1992*



* Latest comparative data. Post-secondary includes colleges, universities, professional schools, and technical and vocational programs above the secondary level, both public and private.
Sources: Education at a Glance, OECD Indicators and Statistics Canada, Labour Force Survey (Ontario data).

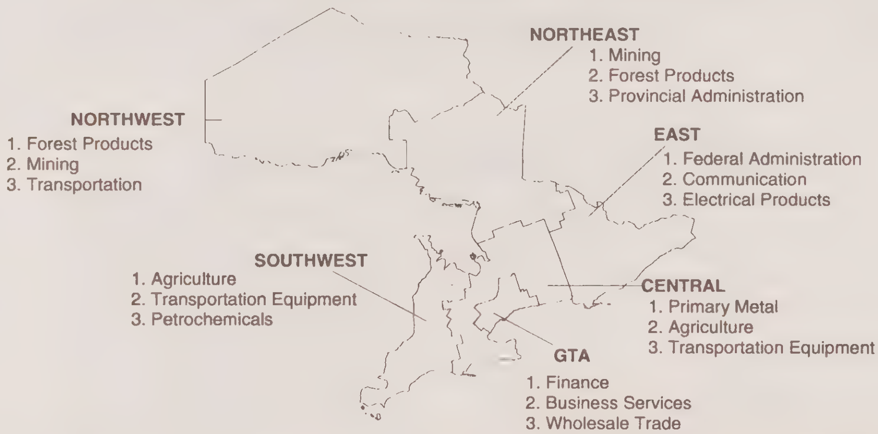
- In 1992, 42 per cent of Ontario's population aged 25–64 had completed post-secondary education, giving Ontario a more highly-educated population than any OECD (Organization for Economic Cooperation and Development) country.

Regional Specialization

Regional specialization — the extent to which a region has a larger employment share of an industry than the provincial average — has a strong influence on regional economic performance. Central and Southwest Ontario are benefiting from a highly export-oriented auto sector, while the predominance of advanced services is key to the GTA's strength. The North benefits from its rich resource base, while Ottawa's high-technology cluster is a major source of long-term growth in the East.

Employment Specialization

Three Industries of Greatest Specialization for Each Region, 1995



Note: Forest products include the primary forest sector, wood industries & paper and allied industries. Transportation includes air, rail, water, truck, & public transit systems. Transportation equipment includes the manufacturing of aircraft & parts, motor vehicles & parts, trucks & bus bodies & trailers, railroad rolling stock, ship & boat building & repair. Finance includes finance, insurance & real estate industries. Sources: Statistics Canada and Ontario Ministry of Finance.

- The North is specialized in resources. Mining accounts for 7.5 per cent of the Northeast's employment, while forest products account for 13.2 per cent of employment in the Northwest (versus 0.6 and 1.7 per cent for Ontario).
- The East specializes in federal administration and communication, with employment shares of 10.1 and 3.7 per cent respectively (versus 2.1 and 2.6 per cent for Ontario).
- The GTA specializes in financial and business services, which account for 19.3 per cent of the region's employment, five percentage points higher than the provincial average.
- Central and Southwest Ontario are both highly specialized in transportation equipment, with employment shares of 4.7 and 8.8 per cent respectively, compared to 3.6 per cent for Ontario.

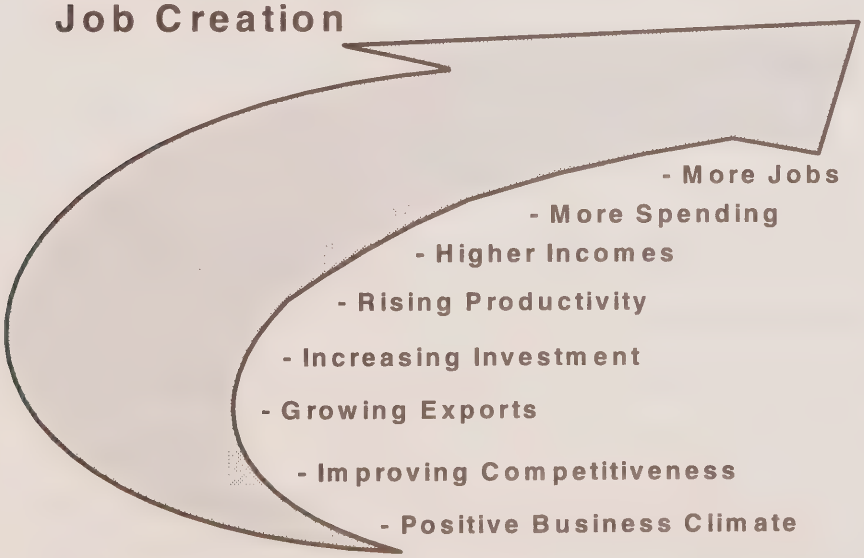
The Economic Outlook

Turning the Corner

The Ontario economy has turned the corner to renewed growth and job creation. Strong economic fundamentals, supported by sound fiscal and economic policies, will lead to strong growth across a broad range of sectors in 1997 and 1998.

- Improving government balance sheets across Canada, low inflation (October was the eleventh consecutive month that inflation was less than two per cent), and strong export growth have all contributed to lower interest rates.
- Ontario's competitive position will remain strong. Canada posted a record trade surplus in the second quarter of 1996. The surplus should continue to grow over the next two years.
- Growth in output will be broadly based, spreading from the export sector to the domestic economy.

Economic Growth and Job Creation

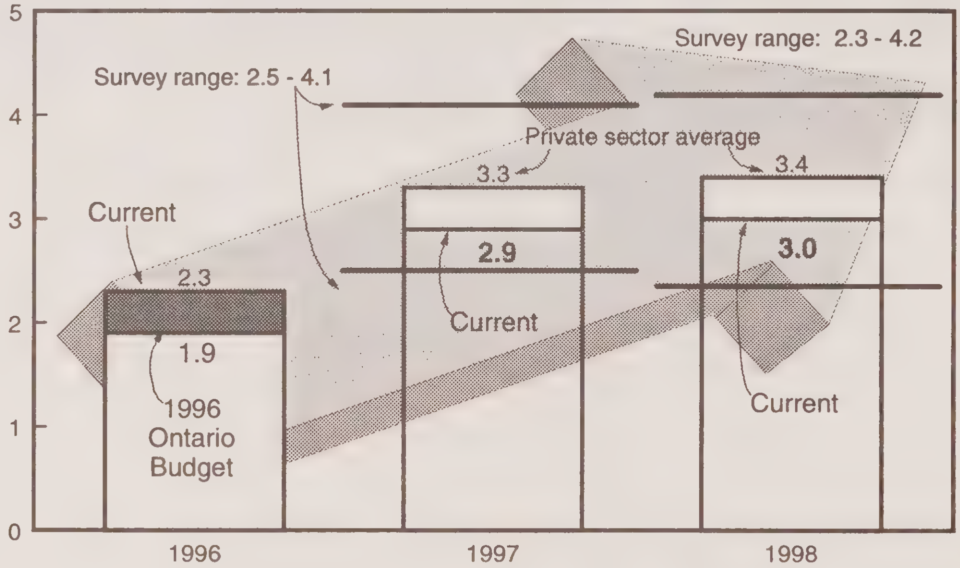


Stronger Growth Achievable

Ontarians have every reason to be optimistic about their economic prospects. The Ontario economy has the capacity to achieve strong and sustained growth. However, in order to provide a prudent basis for fiscal planning, the economic assumptions used are deliberately cautious, below both private-sector forecasts and Ontario's potential.

Ontario Real GDP Growth

Per cent



Sources: Statistics Canada and Ontario Ministry of Finance

- Real GDP is currently projected to rise by 2.3 per cent in 1996, compared to the cautious projection of 1.9 per cent contained in the 1996 Ontario Budget released in May.
- Private sector forecasters, on average, predict real growth of 3.3 per cent in 1997 and 3.4 per cent in 1998.
- Growth could be stronger than indicated by these cautious forecasts. Ontario is extremely competitive internationally; lower taxes and low interest rates are likely to generate an even stronger pick-up of consumer spending and residential construction; strengthened incentives and a healthier business climate will likely spark even more vigorous business formation and investment.

Improved Competitiveness Supports Job Creation

There are three components of Ontario's cost competitiveness improvement:

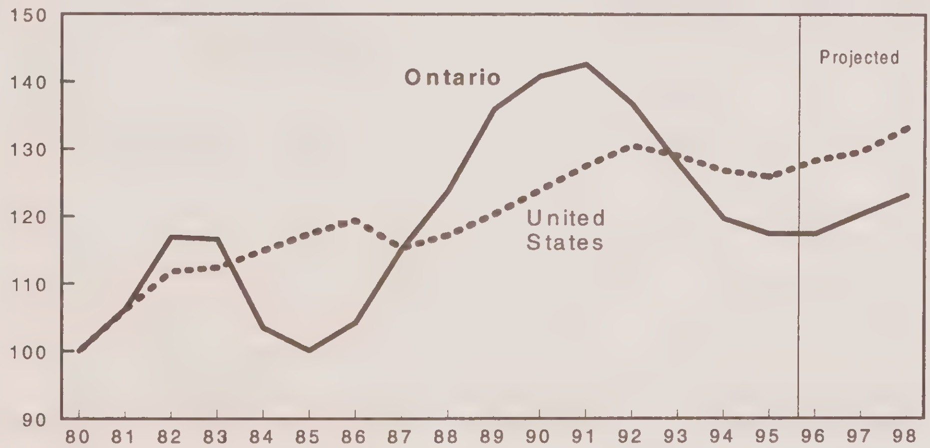
- The most important factor has been the decline in the dollar, which has fallen from an average of 87.3 cents U.S. in 1991 to an average of 72.9 cents in 1995. Although the dollar has risen over the past year and was trading near 75 cents U.S. in late November, this has not eroded Ontario's cost competitiveness; it reflects lower inflation performance and a rising trade surplus.

- Productivity growth has also been strong. Ontario's manufacturing productivity rose 14.6 per cent over the 1991 to 1995 period.

- Wage settlements in Ontario's manufacturing sector have averaged about two per cent per year over the last four years.

Manufacturing Unit Labour Costs

Index (1980=100), U.S. dollar terms



Sources: U.S. Bureau of Labor Statistics, Statistics Canada and Ontario Ministry of Finance

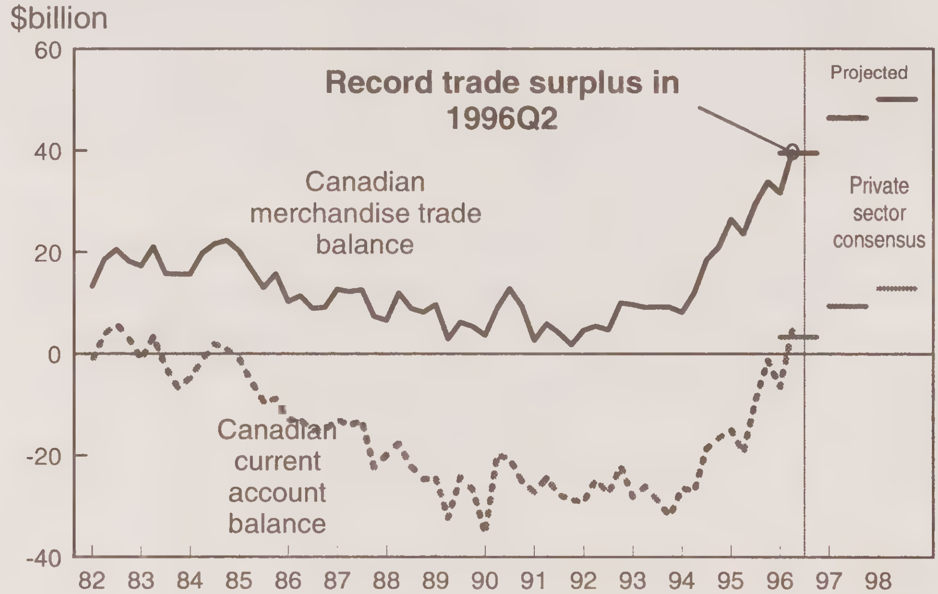
- ◆ Ontario's competitive position has improved dramatically relative to the United States over the past four years. Improved competitiveness encourages businesses to increase their plant and equipment investment and create more jobs in Ontario. It means that business can expect higher returns on its investment, which can be used to finance further investment.

- ◆ Unit labour costs in Ontario's manufacturing sector, measured in U.S. dollars, have declined by 17.6 per cent since 1991. Over the same period, U.S. unit labour costs have fallen by only 1.3 per cent.

Record Trade Surplus, Current Account Improving

Ontario's strong export performance is contributing to a rising Canadian merchandise trade balance and a current account surplus. A sustained current account surplus means that Canada would no longer be a net borrower from abroad.

Canadian Merchandise Trade and Current Account Balance



Sources: Statistics Canada and Ontario Ministry of Finance Survey of Forecasts (November 1996)

- Export growth has produced a record trade surplus and, in the second quarter of 1996, eliminated Canada's current account deficit. In the second quarter of 1996, the Canadian merchandise trade surplus reached $39.8 billion.

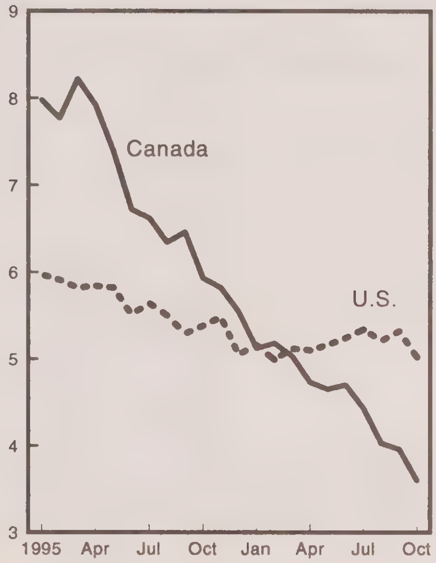
  – Ontario's strong competitive position has made a major contribution to Canada's strong trade performance. Canadian real manufactured exports increased by 14.0 per cent in 1995, and are up 5.8 per cent over the first nine months of 1996. Ontario accounts for close to 60 per cent of Canadian manufactured exports.

- The trade improvement has in turn contributed to a substantial improvement in Canada's current account balance. In the second quarter of 1996, the current account surplus was $4.6 billion (0.6 per cent of GDP), compared to a deficit of $28.8 billion (4.0 per cent of GDP) in 1993.

Lower Interest Rates will Spur Growth in 1997

Low inflation and falling deficits have supported the Canadian dollar and allowed the Bank of Canada to lower interest rates.

Canadian and U.S. 3-month Treasury Bill Rates
Per cent



Source: Bank of Canada

Canadian interest rates March 1995 and October 1996
Per cent

Source: Bank of Canada

- Canadian 3-month treasury bill rates have been below those in the U.S. since March, the longest period of negative spreads since 1973-74. Canadian interest rates are below U.S. rates for terms of up to 10 years and spreads have narrowed dramatically for longer terms.

- To be prudent, Ontario's economic projection is based on interest rates that are one percentage point over the consensus forecast.

Cautious Interest Rate Assumptions
(Annual average per cent)

	1996	1997	1998
3-month treasury bills			
Private-sector survey average	4.2	3.1	3.3
Ontario's prudent assumption	4.2	4.1	4.3
10-year government bonds			
Private-sector survey average	7.2	6.2	6.1
Ontario's prudent assumption	7.2	7.2	7.1

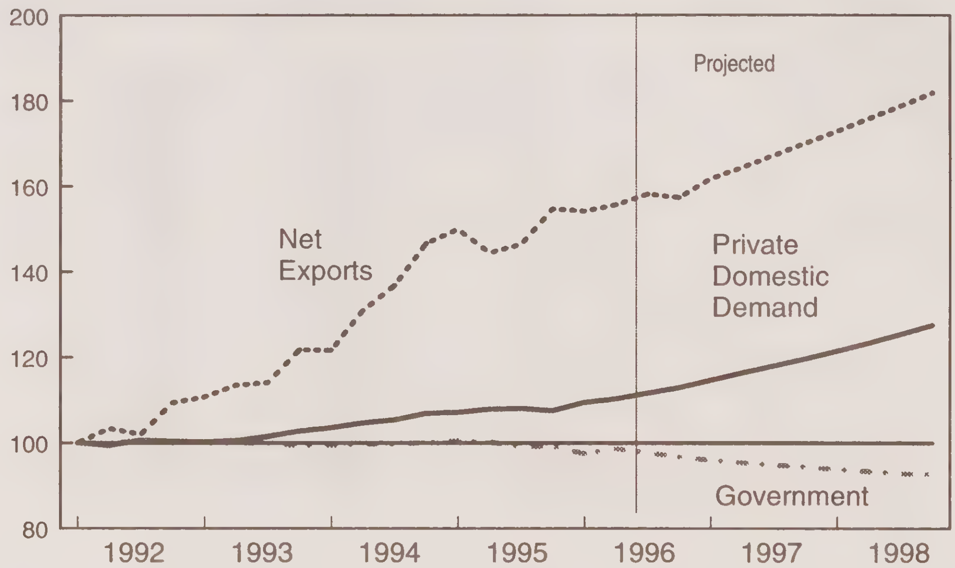
Sources: Bank of Canada, Ontario Finance, Financial Market Survey and Ontario Ministry of Finance.

More Broadly-Based Economic Growth

The economy has relied almost exclusively on exports for economic growth over the past five years. Lower taxes, lower interest rates and improved consumer confidence will strengthen domestic spending.

Composition of Ontario Economic Growth

Index (1992Q1=100)



Sources: Statistics Canada and Ontario Ministry of Finance

- Export-oriented firms will continue to lead growth, reflecting their strong competitive position, but firms that are geared primarily to the domestic market will also contribute to growth in output and jobs.

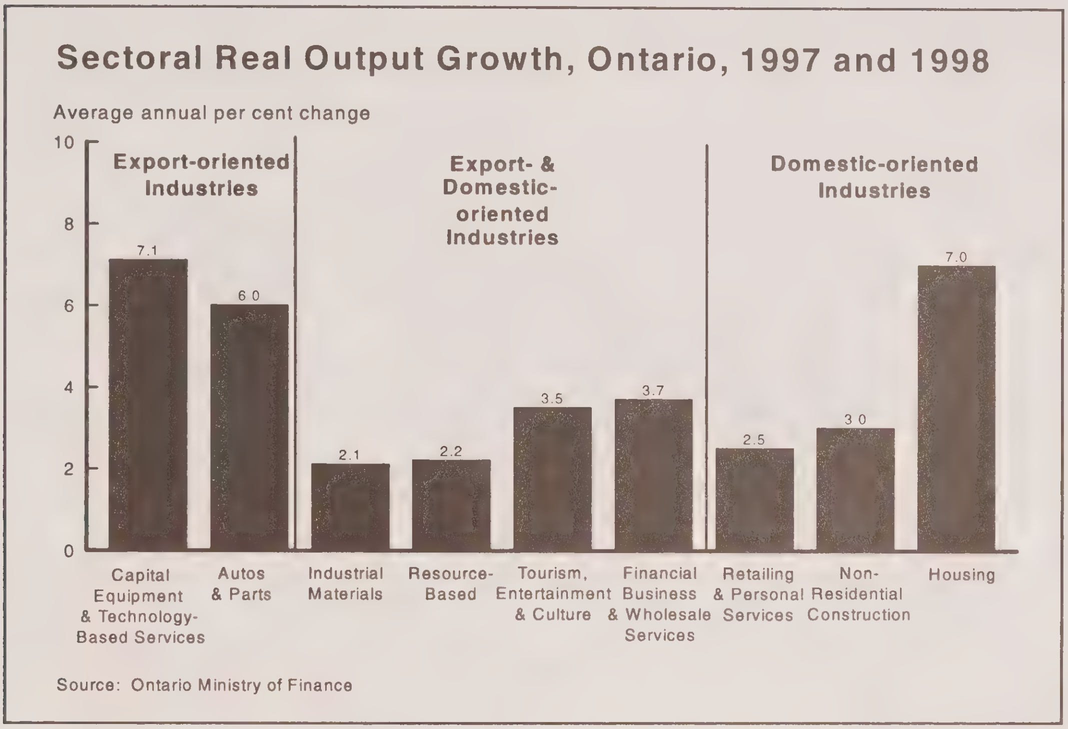
- The housing market is strengthening as a result of lower mortgage rates and renewed confidence.

- Consumer spending is projected to grow at a stronger pace than real disposable income.

- Investment spending will remain strong as firms invest in productivity-enhancing machinery and equipment to improve their competitive position by lowering costs, improving quality and developing new products.

More Balanced Sectoral Growth

Ontario's strengths as an export-oriented economy and renewed consumer confidence will support growth in many industries. Lower interest and mortgage rates, tax cuts, government deregulation, and improving employment growth will all help broaden Ontario's economic expansion by bolstering consumer and business demand.



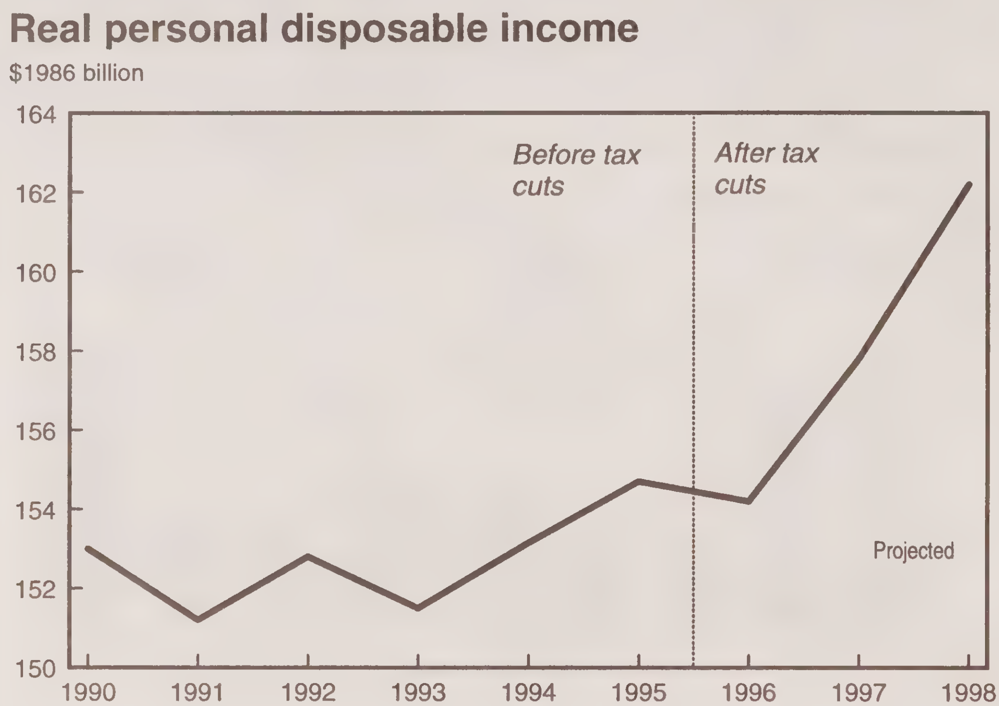
- Export-oriented sectors such as capital equipment and autos will continue to gain market share in the United States, benefiting from steady growth in U.S. business and consumer demand, a stable and competitive Canadian dollar and an improving manufacturing cost position.

- Sectors relying on both export and domestic markets, such as financial and business services, are benefiting from improvements in business and consumer confidence both within the province and nationally. Expansion in these sectors will benefit from export growth in Ontario and the rest of Canada.

- Domestic-oriented sectors such as housing, retailing, leisure, entertainment and culture are also becoming an increasing source of jobs and growth, spurred on by rising consumer demand. Lower interest and mortgage rates, tax cuts, rising consumer confidence and improving employment conditions are helping to bolster these important sectors.

Rising Incomes Support Domestic Economy

Lower taxes, more jobs and increased wages will lead to stronger growth in disposable income and consumer spending.



Sources: Statistics Canada and Ontario Ministry of Finance

- Real consumer spending is projected to rise by 1.2 per cent in 1996 and rebound to 2.8 per cent over the 1997 and 1998 period. The improvement in spending is directly attributed to personal income tax cut and income gains.

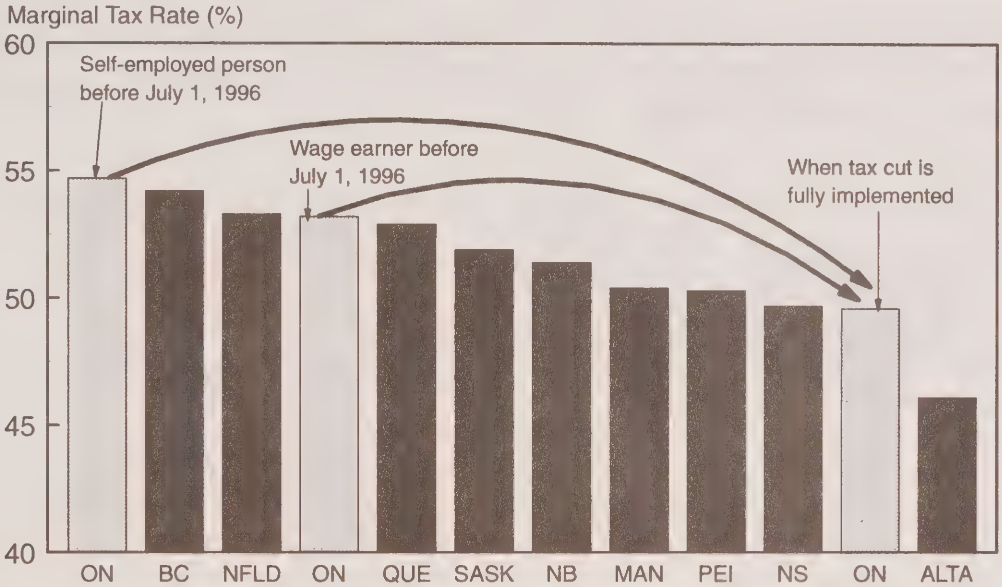
- Stronger job gains and increased wages will contribute to higher personal income growth. Lower taxes and a much improved business climate are boosting private-sector job creation. Over the first 10 months of 1996, private sector jobs were up 90,000 from a year earlier, more than offsetting the 12,000 decline in public sector jobs.

- A further reduction in federal Employment Insurance premiums would promote the recovery of real personal disposable income. The employment insurance account is projected to reach a cumulative surplus of over $5 billion by the end of 1996 and over $10 billion by the end of 1997.

Lowering the Tax Burden

Lowering the tax burden makes Ontario more competitive with other provinces. This means that more entrepreneurs and more people with specialized skills will choose to locate in Ontario.

Top Marginal Personal Income Tax Rates



Combined federal and provincial personal income taxes.
Other provinces' rates reflect commitments up to November 1, 1996.
Source: Ontario Ministry of Finance

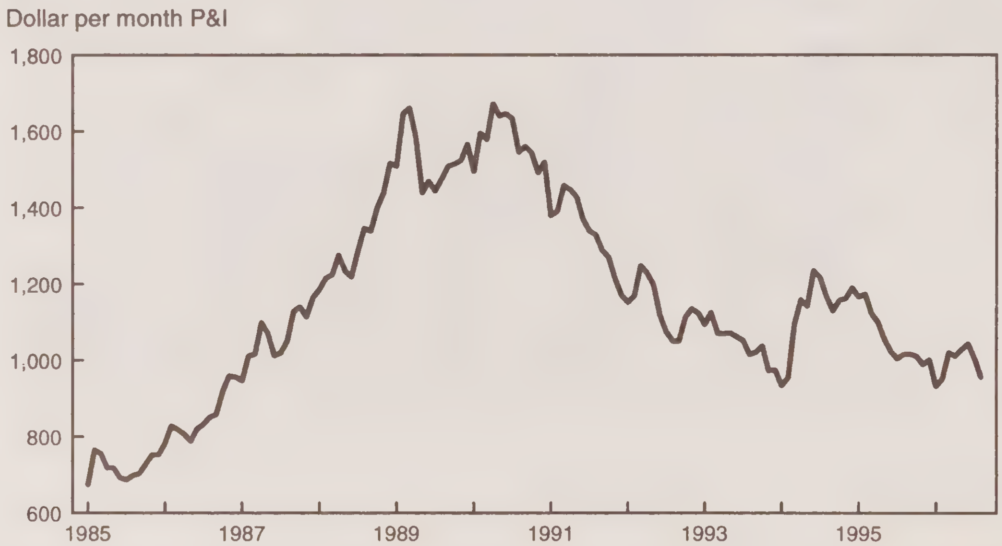
When fully implemented, the income tax rate cut will give Ontario the lowest tax rate for most taxpayers, including entrepreneurs, and second-lowest top marginal rate in Canada (Alberta has the lowest top marginal income tax rate).

- Currently, the top marginal tax rate is highest for entrepreneurs because of the application of the Employer Health Tax on self-employment income, which is being phased out. No other province imposes such a tax.

Low Mortgage Rates and Stable Prices Boost Housing

The housing sector is rebounding strongly as lower mortgage rates and rising confidence are encouraging people to enter the housing market or trade up on their houses. Personal income tax cuts, improved affordability and solid job gains will further rebuild consumer confidence, and lay the foundations for continued growth in the housing sector.

Typical mortgage carrying costs for an average price Ontario home



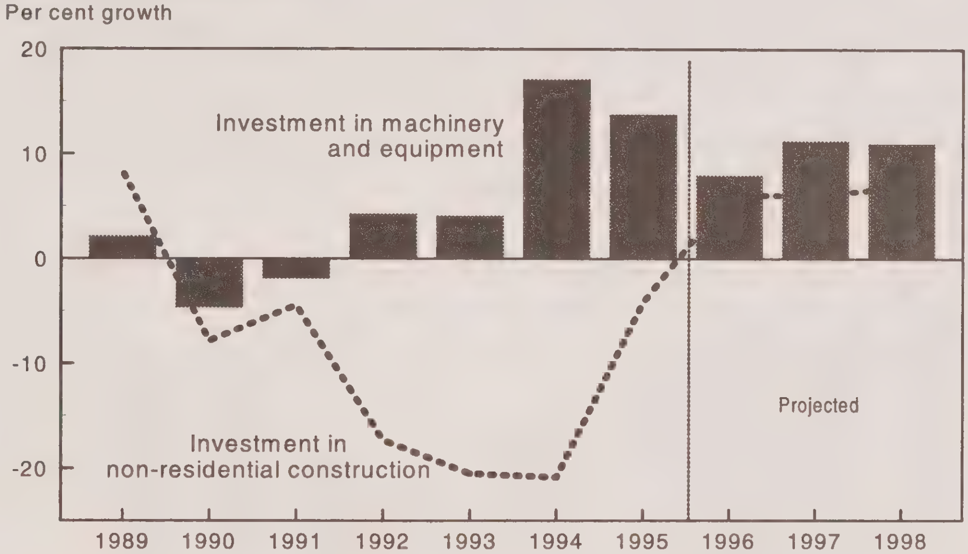
Conventional 75 per cent 5-year mortgage
Source: Ontario Ministry of Finance.

- As housing affordability has improved, housing resales have rebounded. Over the first nine months of 1996, Ontario resales are 24.0 per cent above levels a year earlier.
- New home sales, supported by the Land Transfer Tax rebate announced in the 1996 Ontario Budget, have also soared. New home sales in Toronto are up 47.7 per cent so far in 1996, compared to the same period in 1995.
- So far this year, housing starts in Ontario are up 21.6 per cent from the same period a year ago, well ahead of the national gain of 11.6 per cent.
- Housing starts are expected to be about 43,200 in 1996, and are projected to rise to 50,500 in 1997 and to 59,200 in 1998.

Ontario Business Investment Continues to Strengthen

Investment in plant and equipment provides the basis for sustained growth by enhancing capacity, productivity and competitiveness. Investment in new technologies allows business to improve quality, lower costs and increase market share. As demand for their products increases, businesses will require more industrial and commercial space, strengthening non-residential construction.

Real investment



Sources: Statistics Canada and Ontario Ministry of Finance

- Investment spending has been rising sharply as Ontario firms adapt to globalization and freer trade.
- The 1996 Public and Private Investment Intentions survey from Statistics Canada predicts that Ontario (private sector) business investment will rise by 11.9 per cent in current dollars, outpacing the 0.4 per cent rise in the rest of Canada.
- Ontario's machinery and equipment investment is expected to continue growing in 1997 and 1998, as firms continue to improve their competitive position and raise productivity. The turnaround in non-residential construction is expected to be sustained. Real spending on non-residential construction is projected to rise by 6.0 per cent in 1997 and 6.9 per cent in 1998, as firms demand more modern industrial and commercial space.

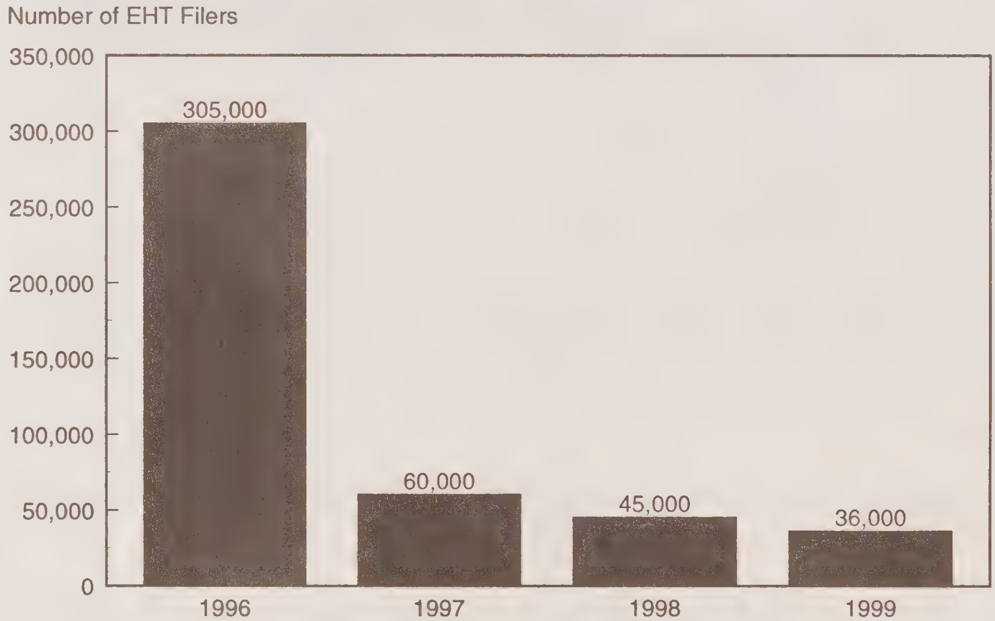
Cutting Payroll Taxes That Kill Jobs

Beginning in 1999, the first $400,000 of an employer's Ontario payroll will be exempt from the Employer Health Tax (EHT).

This exemption will help small businesses create jobs. It will reduce the marginal ongoing payroll tax cost of hiring one new employee by as much as four per cent for a small business.

This exemption will also significantly reduce the paperwork burden on small employers. By 1999, 270,000 or 88 per cent of private-sector employers will no longer have to file an EHT payroll tax return.

Private-Sector Employers Required to Pay the Employer Health Tax, Ontario

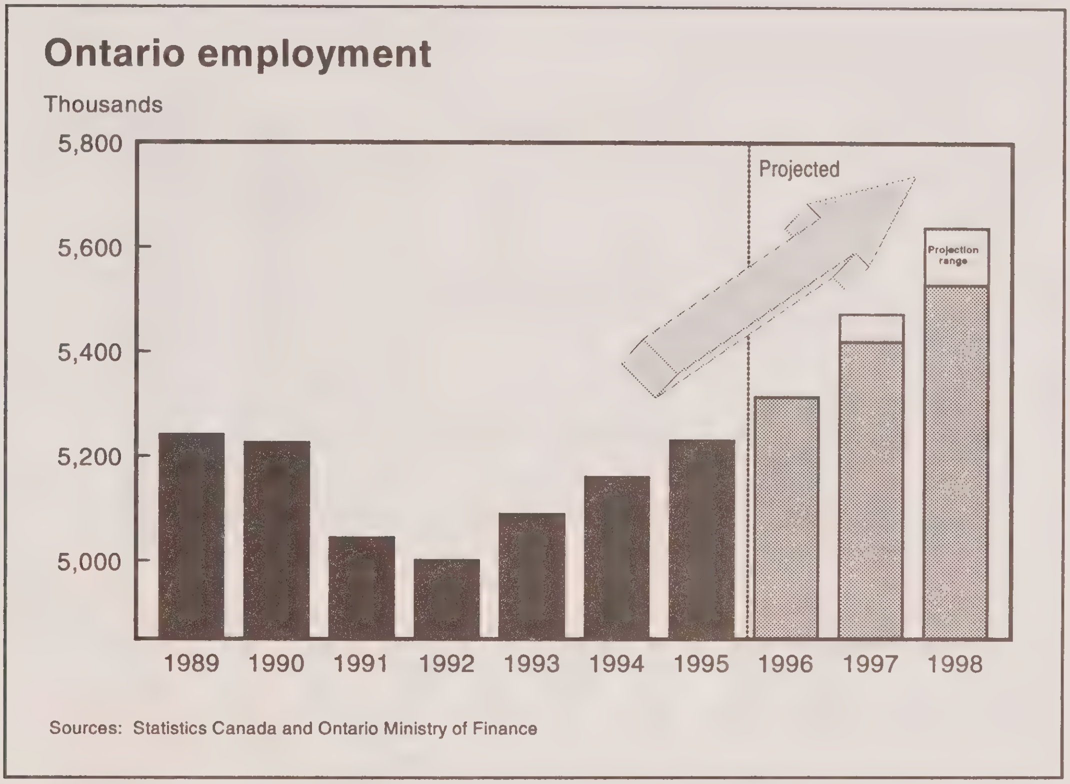


Source: Ontario Ministry of Finance

- The exemption will be phased in over three years:
  - For 1997, the first $200,000 of payroll will be exempt from EHT.
  - For 1998, the first $300,000 of payroll will be exempt from EHT.
  - For 1999 and later years, the first $400,000 of payroll will be exempt from EHT.

Rising Employment Stimulates Domestic Economy

Stronger economic growth will lead to solid job creation. The economic job creation forecast is cautious and the economy is capable of more rapid economic growth and job creation. Government policies such as cutting taxes, reducing the size of government, restoring the balance in labour relations, and reducing red tape are encouraging private sector job growth.



- Ontario is projected to create 200,000–300,000 net new jobs over the 1997 to 1998 period and, depending on how well the economy performs, we could exceed these expectations. The private sector will continue to account for all net new job creation over the forecast period.

- Most new job growth will occur in the service sector. In spite of the fact that service sector wages are lower on average than manufacturing wages, the service sector does provide many "good" high-paying jobs such as those for engineers and computer software specialists. These "good" service sector jobs will continue to grow as the economy becomes more knowledge-based. The ongoing shift toward jobs requiring post-secondary education and training will continue to increase the proportion of high value-added jobs in Ontario.

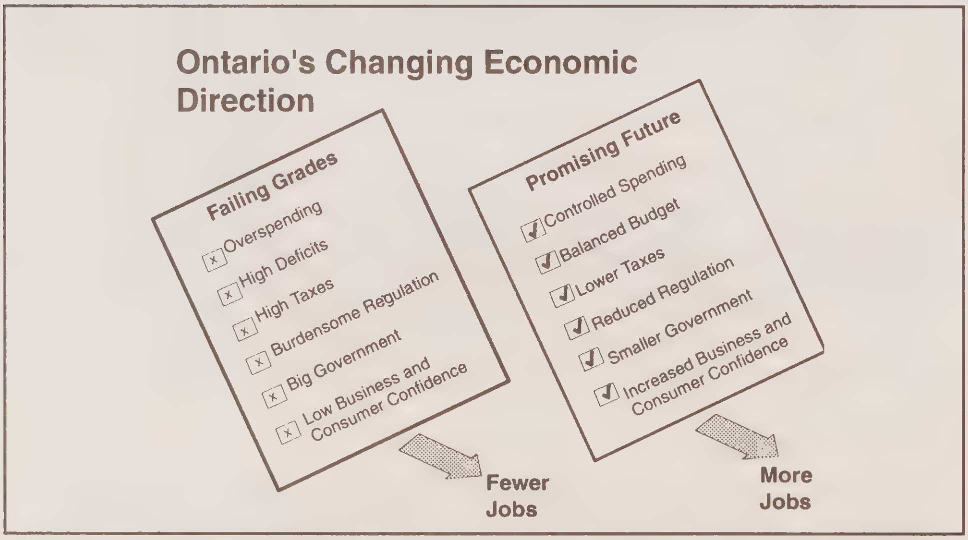
Leading the Way

Reaping the Rewards of Sound Policy

Ontario's economy is responding positively as the government implements policies that support rather than inhibit growth. These sound economic and fiscal policies will continue to pay dividends in future in increased business and consumer confidence, investment, jobs, reduced welfare dependency, and prosperity.

Ontario's strong economic fundamentals and policies have positioned the province to outperform the rest of Canada and most G-7 nations over the rest of the decade.

- Private sector forecasters are predicting that Ontario's real GDP growth to 2000 will be stronger than that of any G-7 country.
- Inflation is expected to remain lower than that of any G-7 country except Japan, further enhancing growth prospects.
- Ontario is contributing to the dramatic improvement in Canada's fiscal position.

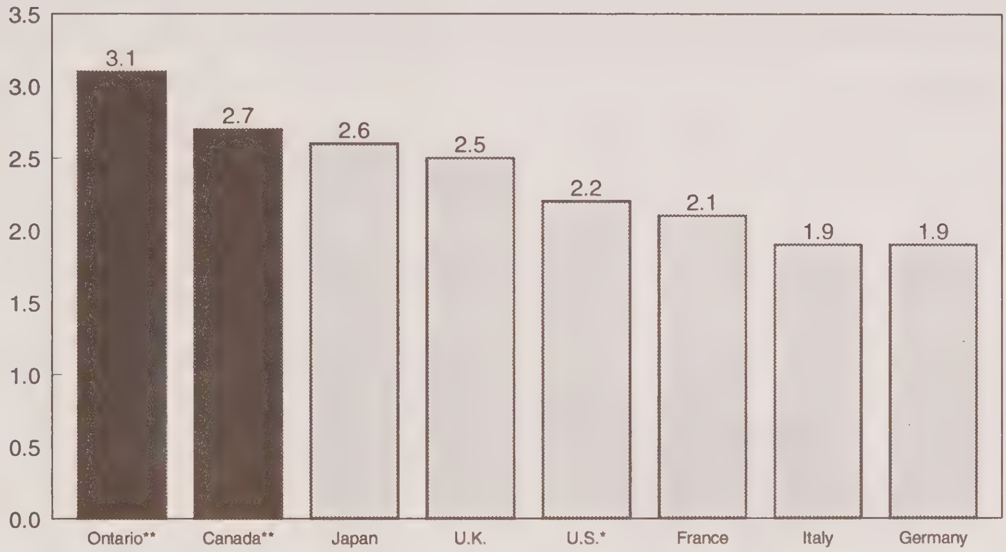


Ontario Economic Growth will Outpace Canada, Rest of G-7

Good economic and fiscal policies are setting the framework for strong and sustainable growth. Lower taxes, lower interest rates and improved consumer confidence will strengthen domestic spending.

Private-sector Forecasts for Real GDP Growth

1996-2000 annual average (per cent)



Sources: Consensus Forecasts (October and November 1996) except *Blue Chip Economic Indicators (October and November 1996) and **Ontario Ministry of Finance Survey of Forecasts (November 1996)

- Over the 1996–2000 period, private-sector forecasters expect Ontario's real average annual growth to be 3.1 per cent, higher than any of the G-7 countries.

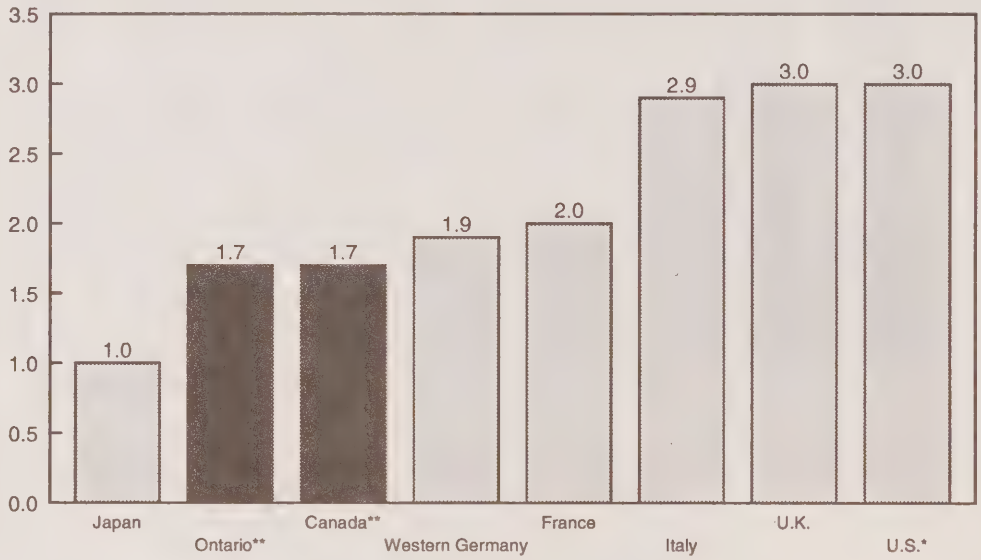
- The Bank of Canada, in its recent semi-annual Monetary Policy Report, indicated that it expects Canadian annualized real GDP growth rate of more than four per cent throughout 1997.

Inflation Performance Among Best in G-7

Sustained low inflation will contribute to a healthy climate for economic growth and job creation. International acceptance of Canada's low inflation is translating into lower interest rates. Ontario's growth prospects are boosted by the competitive state of the economy and the large supply of under-utilized capital and labour, which will permit sustained growth without higher inflation.

Private-sector Forecasts for Consumer Price Inflation

1996-2000 annual average (per cent)



Sources: Consensus Forecasts (October and November 1996) except *Blue Chip Economic Indicators (October and November 1996) and **Ontario Ministry of Finance Survey of Forecasts (November 1996)

- The consensus among private-sector forecasters is that Ontario and Canada are expected to have a lower inflation rate than any of the G-7 countries, except Japan, through the end of the decade.

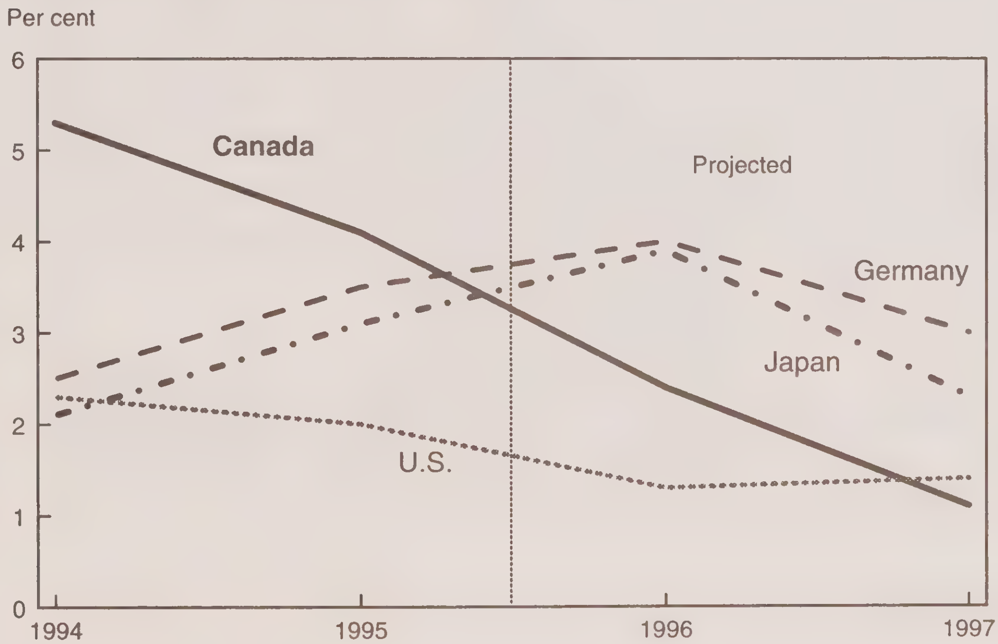
- The consensus forecast for inflation is within the Bank of Canada's current target range of one to three per cent.

Ontario and Canada Lead in Reducing Budget Imbalances

Canada's fiscal position is improving more rapidly than that of any other major country. The federal government has established a track record of over-achieving its deficit targets. The federal deficit was 5.9 per cent of GDP in 1993–94, and federal plans, based on cautious assumptions, are on track to reduce it to 2 per cent of GDP in 1997–98 and 1.0 per cent in 1998–99.

Ontario's deficit is set to fall from $8.7 billion in 1995–96 to $8.2 billion in 1996–97 and $6.6 billion in 1997–98. Ontario is committed to achieving a balanced budget by 2000–2001.

Deficits* as a share of GDP



Source: IMF World Economic Outlook, October 1996
* All levels of government, National Accounts basis

Balanced Budget Plan On Track

Overview

The Fiscal and Economic Statement released in November 1995 identified the fiscal priorities for Ontario: reducing spending to balance the budget and reducing the tax burden that is killing jobs and initiative.

In the last year, considerable progress has been made toward meeting these goals and reversing the economic and fiscal problems created over the last decade.

But further work remains to be done. Provincial spending is still too high, and taxes still impose too high a burden on families and businesses.

In order to reduce spending and make government more efficient and effective, the Government has introduced reforms to restructure public institutions and change the way public services are delivered. These reforms will ensure that government resources are focused on providing quality services to the public and ensuring that taxpayers get good value for their tax dollar.

This paper:

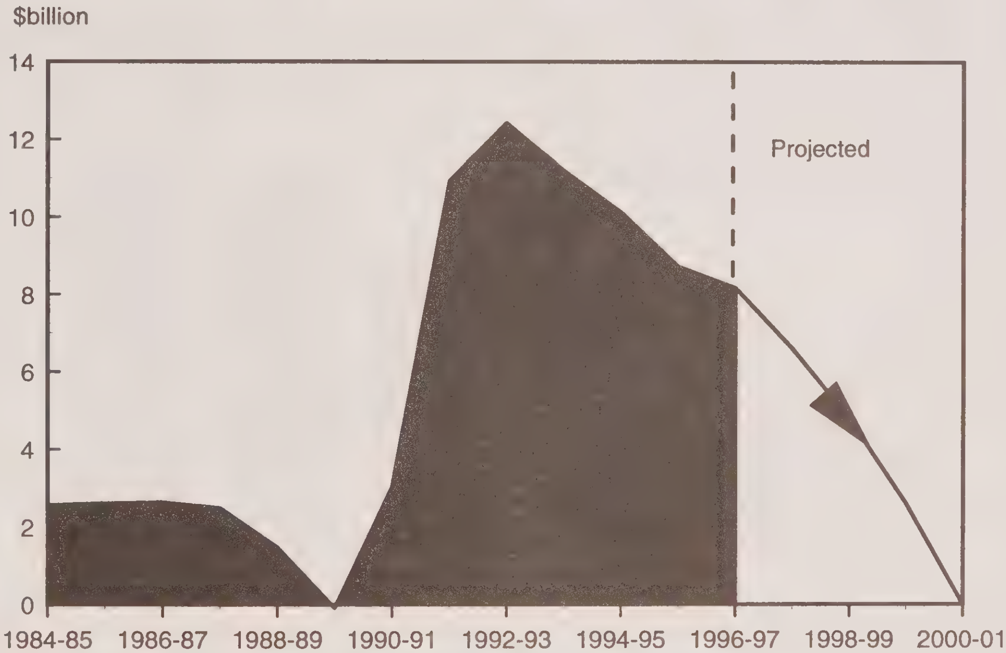
- reports on Ontario's recent fiscal performance;
- provides an update based on second quarter results on the Province's current fiscal outlook;
- reviews Ontario's debt management.

Recent Fiscal Performance

Controlling the Deficit

Ontario's deficit climbed rapidly during the early 1990s and peaked at an historic high in 1992–93, when growth in spending far outstripped provincial revenues.

Ontario's Deficit Is on a Downward Trend



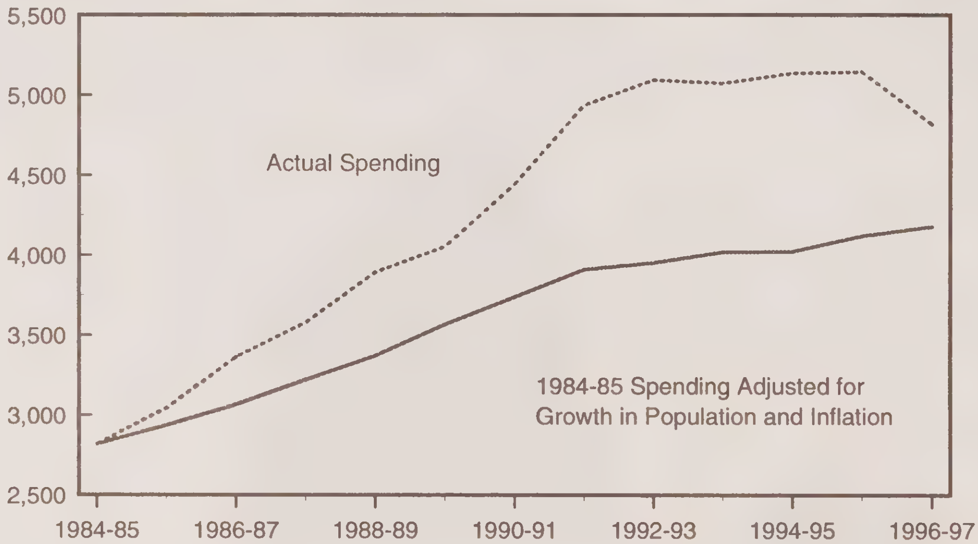
- Ontario's deficit in 1996–97 is forecast at $8.2 billion, well below the $12.4 billion deficit recorded in 1992–93.
- As part of its Balanced Budget Plan, the Government has set out clear targets to eliminate the deficit by 2000–01.

Turning the Corner on Government Spending

Since the mid-1980s, provincial government spending has doubled. After more than a decade of spending growth, actions taken in the past year have finally reversed this trend, helping to bring Ontario's spending to more manageable and affordable levels.

Spending has Grown Faster than the Growth in Population and Inflation

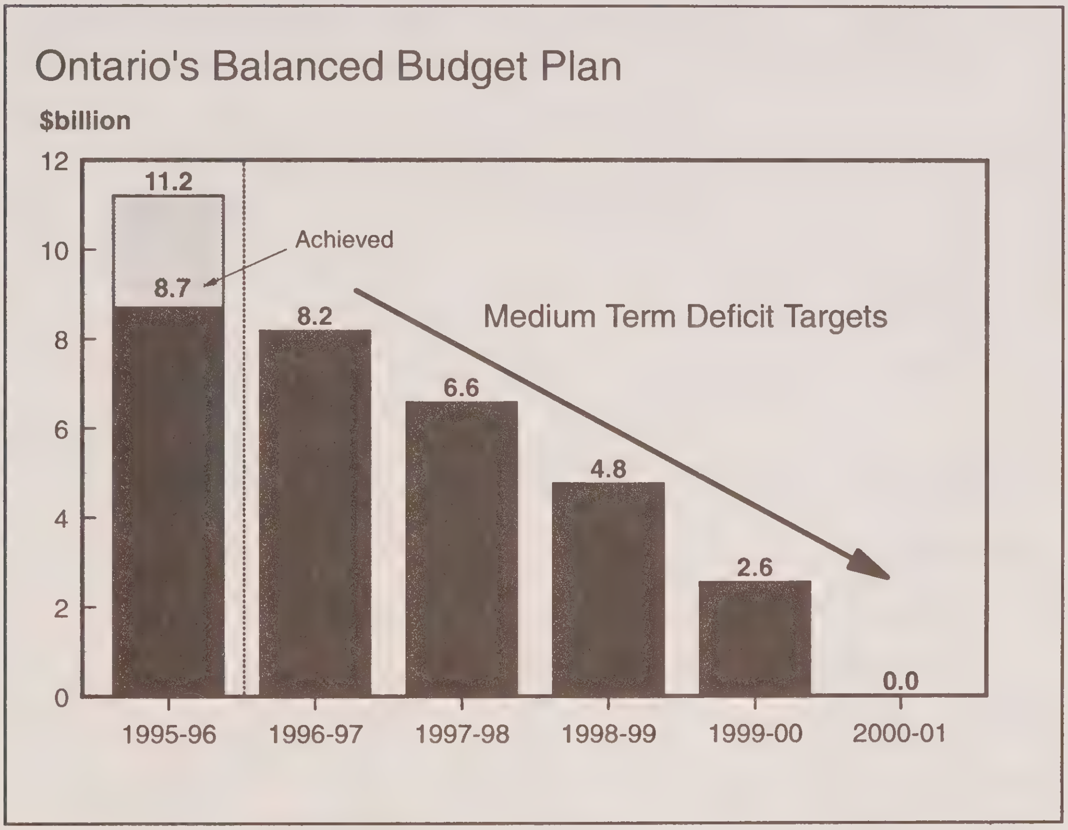
$ per capita



- After significant increases in the late 1980s and early 1990s, total spending stands at over $4,800 per capita in 1996–97, a decline of 6.3 per cent from the previous year.

Balancing the Budget

Last November, the Government presented a Balanced Budget Plan. This Plan set out deficit targets for each year, culminating in a balanced budget by 2000–01. The Government did better than meet the 1995–96 deficit target and is on track to meet its $8.2 billion deficit target for 1996–97.



- By 2000–01 the Balanced Budget Plan will stop the growth in Ontario's debt and will reduce debt as a share of GDP.

1995–96 Deficit Target Over-achieved

The Government's plan to put provincial finances back on a sound footing is showing results. The 1995–96 Public Accounts, released in September, reported an audited actual deficit of $8,726 million for 1995–96, down $582 million from the $9,308 million target set out in last November's Fiscal and Economic Statement. This difference reflects improvements in the Ontario economy, refinements made to interim estimates, as well as the Government's prudent and cautious approach to fiscal planning.

The $582 million over-achievement of the 1995–96 deficit target was allocated to the Ontario Opportunities Fund and applied to reduce Ontario's debt.

1995–96 Fiscal Performance
$ millions

	Fiscal Plan	Actual	Change
Revenue	46,786	48,359	1,573
Expense			
Programs	43,713	44,005	292
Restructuring and Other Charges	--	1,352	1,352
Total Program Expense	43,713	45,357	1,644
Capital	3,412	3,473	61
Public Debt Interest	8,969	8,255	(714)
Total Expense	56,094	57,085	991
Deficit	**9,308**	**8,726**	**(582)**

- Total audited revenue in 1995–96 was $1,573 million higher than forecast in the 1995 Fiscal and Economic Statement. This was due primarily to higher tax revenue, the receipt of a one-time fiscal stabilization payment from the federal government, and a refinement in the year-end estimate of receivables for taxes and the Family Support Program.

- Total expense was $991 million higher than forecast in the 1995 Fiscal and Economic Statement. This increase was mainly due to government restructuring and other one-time costs that added to expenses in 1995–96, partly offset by $714 million in lower public debt interest costs due to lower-than-forecast interest rates and cash requirements.

Ontario's Fiscal Outlook: Mid-Year Update

1996–97 Fiscal Plan on Track

The 1996–97 deficit outlook remains on track with the 1996 Budget forecast. Ontario's deficit at $8,173 million, as reported in the Second Quarter Ontario Finances, released in October, is down $7 million from the Budget forecast of $8,180 million.

1996-97 Fiscal Performance
$ millions

	Budget Plan	Current Outlook*	In-Year Change
Revenue	46,660	46,685	25
Expense			
Programs	41,841	41,899	58
Restructuring Fund	900	900	--
Total Program Expense	42,741	42,799	58
Capital	2,704	2,689	(15)
Public Debt Interest	8,745	8,720	(25)
Total Expense	54,190	54,208	18
Reserve	650	650	--
Deficit	**8,180**	**8,173**	**(7)**

* Second Quarter Ontario Finances.

- The 1996 Budget expense forecast included a $900 million Restructuring Fund that will allow for investments that support restructuring efforts and will cover the one-time cost of government restructuring.

- The outlook also includes a reserve of $650 million designed to protect the fiscal plan against unforeseen risks such as potential unexpected and adverse changes in the economic outlook and its impact on revenues and public debt interest costs. If this reserve is not required, it will be applied directly to deficit reduction.

1996–97 In-Year Revenue Changes

The current revenue outlook for 1996–97 is $46,685 million, $25 million above the 1996 Budget projection. This increase reflects a $60 million increase in the tax revenue outlook. All other revenue is down a net $35 million.

1996–97 Revenue Changes Since Budget $ millions		
Taxation Revenue		
Corporations Tax	20	
Land Transfer Tax	20	
Other Taxation	20	
Total Taxation Revenue		60
Income from Government Enterprises		
Ontario Lottery Corporation	(25)	
Total Income from Government Enterprises		(25)
Federal Transfers		--
Other Revenue		
Miscellaneous	(10)	
Total Other Revenue		(10)
Total In-Year Revenue Changes		**25**

- Corporations Tax revenue has been revised upward by $20 million, reflecting the strength of receipts over this fiscal year.
- Land Transfer Tax revenue is expected to exceed the Budget forecast by $20 million, due to the strong resale housing market in Ontario.
- Race Track Tax revenue is $20 million higher due to the new implementation date of the tax cut on pari-mutuel betting.
- Later-than-anticipated implementation of the Charity Gaming Halls reduced miscellaneous other revenue by $20 million and the expected video lottery income from video lotteries at these sites by

$25 million (Ontario Lottery Corporation). These reductions were partially offset by a $10 million increase in Miscellaneous Other Revenue.

1996–97 In-Year Operating Expense Changes

The current operating expense outlook has increased by $33 million from the 1996 Budget Plan to $51,519 million. Major changes since the 1996 Budget include additional funding for forest firefighting, and lower public debt interest costs.

1996–97 Operating Expense Changes Since Budget $ millions	
Additional Forest Firefighting Costs	50
Interim Payment to Horse Racing Industry	20
Public Debt Interest Savings	(25)
All Other Changes (Net)	(12)
Total In-Year Operating Expense Changes	**33**

- To combat an increase in forest fires this year, an additional $50 million was provided in-year, of which $18 million was offset from the Contingency Fund.

- Interim payments of $20 million were provided to the horse racing industry as a result of the later-than-expected new implementation date for the pari-mutuel tax reduction announced in the 1996 Budget. This spending was fully offset by higher pari-mutuel tax revenue.

- Public debt interest savings of $25 million from the 1996 Budget Plan were realized due to lower interest rates, reflecting the Government's cautious approach to interest rate forecasts.

1996–97 In-Year Capital Expense Changes

The current capital expense outlook has decreased by $15 million from the 1996 Budget Plan to $2,689 million. The table below summarizes the major capital changes from the 1996-97 fiscal plan.

1996–97 Capital Expense Changes Since Budget $ millions	
Telecommunications Access Fund/Ontario Network Infrastructure Program	(20)
DNA testing — Centre of Forensic Sciences	3
Office Closures and Consolidations (Ministries of Natural Resources and Solicitor General and Correctional Services)	5
Contingency Fund	(3)
Total In-Year Capital Expense Changes	**(15)**

- The largest in-year change in capital expense results from the integration of the Telecommunications Access Fund with the Ontario Network Infrastructure Program to better reflect the multi-year nature of telecommunication projects and to take advantage of program synergies. This merger has resulted in a $20 million saving in capital expenses for the Ministry of Economic Development, Trade and Tourism.

- An additional $3 million was provided to the Ministry of the Solicitor General and Correctional Services to expand the DNA-testing capabilities at the Centre of Forensic Sciences. This increase in capital expenses is fully offset by a corresponding decrease in the Capital Contingency Fund.

- An additional $5 million is being provided to the Ministries of Natural Resources and Solicitor General and Correctional Services to facilitate office closures and consolidations.

Ontario's Debt Management

Borrowing Needs Decline

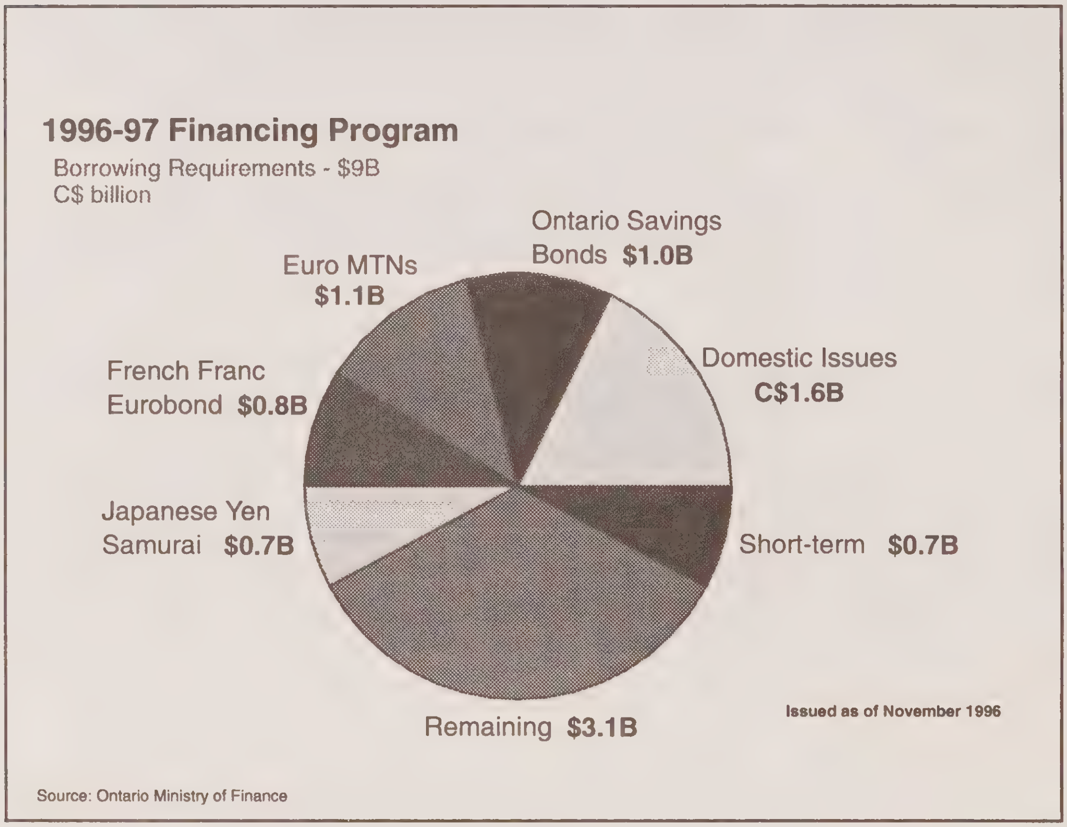
The Ontario Financing Authority has raised $5.9 billion of the Province's $9 billion borrowing program for 1996–97. Remaining borrowing needs are $3.1 billion.

The Province's borrowing program has benefited significantly from renewed investor interest in Ontario. Contributing factors are the Government's strong commitment to its Balanced Budget Plan, the consequent improvement in Ontario's finances, and the increased differential between short-term and long-term interest rates. These conditions allow for a reduction in planned year-end cash levels. As a result, borrowing requirements will decline $1 billion from the original budget forecast of $10 billion.

Relative to the benchmark Government of Canada bonds, borrowing costs are at their lowest level in 10 years. For example, in July the Province issued a 10-year Canadian dollar domestic bond at a spread of 23 basis points over the Government of Canada 10-year benchmark. This was the lowest spread for this term of bond issue since the Province returned to the public capital markets in 1990. In nominal terms, current long-term interest rates are at their lowest levels in 30 years.

New Products Broaden Investor Base

The Canadian dollar market remains a key source of funding; for instance, over $1 billion was raised through the Ontario Savings Bond campaign. However, to ensure further cost efficiencies in managing the Province's borrowing program, the Ontario Financing Authority continues to target its financial products to fixed income investors in both the domestic and international markets.



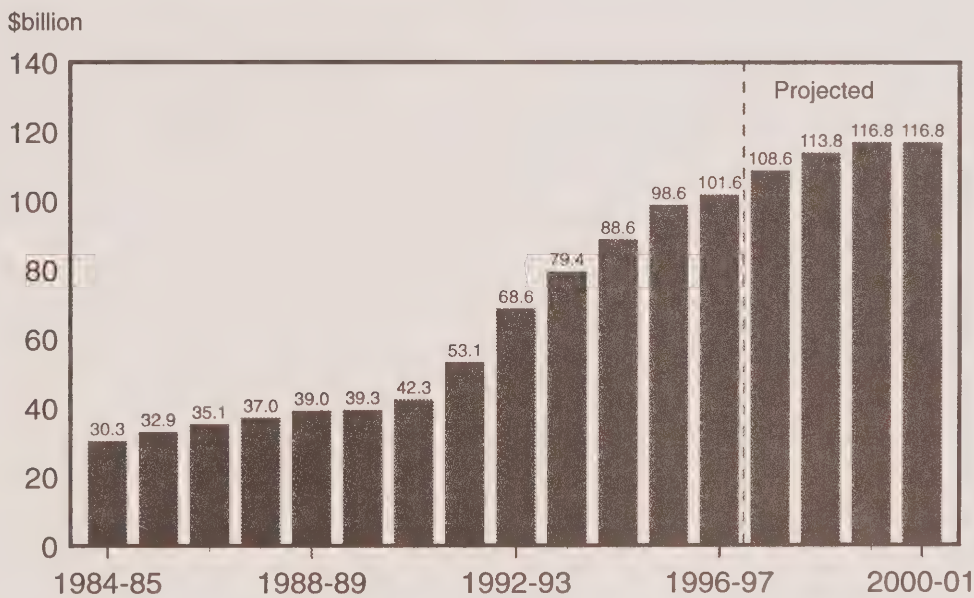
- For the first time, the Province issued bonds in French Francs, Norwegian Kroner and New Zealand dollars. Ontario also issued its inaugural "samurai" bond, a bond launched in the Japanese market.

- In keeping with the Minister of Finance's earlier announcement, Ontario doubled its Euro-Medium Term Note (EMTN) program from $3 billion to $6 billion. This action was taken in response to recent investor demand. So far this fiscal year, the Province has raised $1 billion through its EMTN program. To date, total issuance under the program is $3.6 billion. Following the positive reception of the first samurai bond, a second issue was launched.

Prudent Policies Minimize Risk Exposure

Risk management activities are governed by prudent policies and procedures limiting Ontario's exposure to interest rate and currency fluctuations. For instance, while the Province's debt portfolio contains nine foreign currencies, all but approximately one per cent have been converted or "hedged" back into Canadian dollars.

Debt Projected to Stabilize



Rounded numbers used

Source: Ontario Ministry of Finance

- With decreased borrowing requirements, the revised debt outlook for fiscal 1996–97 is $101.6 billion, down $1.2 billion from the Budget 1996 forecast of $102.8 billion.

DATA APPENDICES

Financial Tables and Graphs

Statement of Financial Transactions
($Millions)

Table 1

	Actual 1992-93	**Actual 1993-94**	**Actual 1994-95**	**Actual 1995-96**	**Outlook 1996-97**
Revenue	41,807	43,674	46,039	48,359	46,685
Expense					
Programs	45,350	44,195	44,505	44,005	41,899
Restructuring Fund and Other Charges	-	-	--	1,352	900
Total Programs Expense	45,350	44,195	44,505	45,357	42,799
Capital	3,592	3,552	3,831	3,473	2,689
Public Debt Interest	5,293	7,129	7,832	8,255	8,720
Total Expense	54,235	54,876	56,168	57,085	54,208
Reserve	-	-	-	-	650
Deficit	**12,428**	**11,202**	**10,129**	**8,726**	**8,173**

Note: 1992-93 on former modified cash basis of accounting.

Ontario Opportunities Fund
($Millions)

Table 2

		1995-96
Debt Issued for Provincial Purposes (March 31, 1995)		88,580
Add: Borrowing Requirements to finance projected deficit of $9,308 million	6,738	
Increase in liquid reserves and investments in agencies	3,851	
Increase in debt:		10,589
Debt Before Ontario Opportunities Fund		99,169
Less:		
Ontario Opportunities Fund		
Over achievement in 1995-96 deficit target	582	
Fund Balance Applied to Debt Reduction		(582)
Debt Issued for Provincial Purposes (March 31, 1996)		98,587

Revenue ($Millions) **Table 3**

	Actual 1992-93	Actual 1993-94	Actual 1994-95	Actual 1995-96	Outlook 1996-97
Taxation Revenue					
Personal Income Tax	13,543	14,723	14,758	15,633	15,213
Retail Sales Tax	7,316	8,124	9,090	9,424	9,520
Corporations Tax	2,713	3,447	4,557	5,174	5,390
Employer Health Tax	2,592	2,665	2,640	2,695	2,665
Gasoline Tax	1,834	1,907	1,939	1,944	1,985
Fuel Tax	439	460	495	500	520
Tobacco Tax	969	724	322	337	330
Land Transfer Tax	363	321	372	342	385
Other Taxation	272	288	286	267	220
	30,041	**32,659**	**34,459**	**36,316**	**36,228**
Government of Canada					
Canada Health and Social Transfer			-	-	5,260
Established Programs Financing	4,316	3,790	4,059	3,820	-
Canada Assistance Plan	2,283	2,399	2,577	2,508	-
Fiscal Stabilization	300	227	184	367	-
National Training Act	104	76	75	55	26
Bilingualism Development	70	70	65	62	50
Young Offenders	60	59	82	61	59
Vocational Rehabilitation	75	65	61	63	46
Canada-Ontario Infrastructure Works	-	-	82	351	223
Other	346	385	422	358	366
	7,554	**7,071**	**7,607**	**7,645**	**6,030**
Income from Government Enterprises					
Ontario Lottery Corporation	538	602	631	651	711
Liquor Control Board of Ontario	615	599	637	667	685
Ontario Casino Corporation	-	-	316	422	575
Ontario Housing Corporation	-	(275)	(273)	(255)	(232)
GO Transit	-	(136)	(166)	(208)	(157)
Other	-	(25)	(77)	(10)	75
	1,153	**765**	**1,068**	**1,267**	**1,657**
Other Revenue					
Vehicle/Driver Registration Fees	665	695	751	736	790
Other Fees and Licences	584	663	686	631	680
Liquor Licence Board of Ontario Revenues	511	522	532	530	530
Royalties	191	239	223	263	260
Sales and Rentals	512	486	98	81	67
Fines and Penalties	152	141	163	143	100
Miscellaneous	444	433	452	747	343
	3,059	**3,179**	**2,905**	**3,131**	**2,770**
Total Revenue	**41,807**	**43,674**	**46,039**	**48,359**	**46,685**

Note: 1992-93 on former modified cash basis of accounting.

Operating Expense **Table 4**
($Millions)

Ministry	Actual 1992-93	Actual 1993-94	Actual 1994-95	Actual 1995-96	Outlook 1996-97
Agriculture, Food and Rural Affairs	552	533	409	420	425
Attorney General	736	827	830	1,085	639
Board of Internal Economy	133	137	135	206	120
Citizenship, Culture and Recreation	409	370	408	363	322
Community and Social Services	8,544	9,165	9,364	8,816	8,198
Consumer and Commercial Relations	173	175	150	140	132
Economic Development, Trade and Tourism	427	416	463	385	241
Education and Training	8,964	8,691	8,357	8,390	7,606
Teachers' Pension Plan	933	467	643	812	902
Environment and Energy	434	390	272	239	172
Executive Offices	13	13	10	13	13
Finance - Own Account	885	636	425	701	411
Public Debt Interest	5,293	7,129	7,832	8,255	8,720
Health	17,525	17,375	17,599	17,607	17,718
Intergovernmental Affairs	9	7	6	5	5
Labour	241	180	135	135	115
Management Board Secretariat	264	116	823	534	432
Public Service/OPSEU Pension Plan	381	737	682	685	284
Contingency Fund	-	-	-	-	166
Employee Severance	-	-	-	420	-
Municipal Affairs and Housing	1,987	1,559	1,487	1,802	1,888
Native Affairs Secretariat	17	14	16	16	13
Natural Resources	584	502	478	519	430
Northern Development and Mines	105	83	54	66	42
Office of Francophone Affairs	4	3	3	2	2
Office Responsible for Women's Issues	24	23	22	18	15
Solicitor General and Correctional Services	1,168	1,168	1,136	1,111	1,124
Transportation	838	608	598	867	684
Restructuring Fund	-	-	-	-	900
Year-end Savings	-	-	-	-	(200)
Total Operating Expense	**50,643**	**51,324**	**52,337**	**53,612**	**51,519**

Note: 1992-93 on former modified cash basis of accounting.

Capital Expense
($Millions)

Table 5

Ministry	Actual 1992-93	Actual 1993-94	Actual 1994-95	Actual 1995-96	Outlook 1996-97
Agriculture, Food and Rural Affairs	21	13	12	5	-
Attorney General	7	3	4	-	46
Citizenship, Culture and Recreation	94	28	42	29	6
Community and Social Services	57	77	72	14	38
Economic Development, Trade and Tourism	39	113	117	113	21
Education and Training	543	432	421	559	222
Environment and Energy	230	162	271	238	196
Finance	3	3	3	1	-
Health	230	309	249	168	167
Management Board Secretariat	192	169	260	272	146
Contingency Fund	-	-	-	-	11
Municipal Affairs and Housing	103	96	310	531	332
Native Affairs Secretariat	17	15	17	9	15
Natural Resources	75	95	54	47	34
Northern Development and Mines	239	208	240	163	228
Solicitor General and Correctional Services	4	5	2	2	12
Transportation	1,738	1,824	1,757	1,322	1,215
Total Capital Expense	**3,592**	**3,552**	**3,831**	**3,473**	**2,689**

Note: 1992-93 on former modified cash basis of accounting.

Financing **Table 6**
($Millions)

	Actual 1992-93	Actual 1993-94	Actual 1994-95	Actual 1995-96	Outlook 1996-97
Debt Issues:	16,605	11,991	11,327	12,029	9,000
Debt Retirements:					
Canada Pension Plan	(537)	(607)	(702)	(784)	(813)
Ontario Teachers' Pension Plan	(506)	(251)	(64)	(198)	(337)
OPSEU Pension Plan	-	-	(9)	(43)	(44)
Public Service Pension Plan	(62)	(106)	(95)	(92)	(95)
Municipal Employees Retirement Fund	-	(130)	(149)	(182)	(20)
Public	(7)	(273)	(1,289)	(833)	(4,759)
Other	(10)	(11)	(22)	(10)	(18)
	(1,122)	(1,378)	(2,330)	(2,142)	(6,086)
Net Debt Issues	15,483	10,613	8,997	9,887	2,914
Province of Ontario Savings Office and Other Liabilities - Net	41	219	144	120	144
Net Financing	**15,524**	**10,832**	**9,141**	**10,007**	**3,058**
Net Loan Repayments/(Issues)	(309)	507	75	129	(533)
Decrease/(Increase) in Cash	(2,787)	(3,217)	490	(3,325)	6,088
Net Change in Receivables and Payables	-	3,080	423	1915	(440)
Increase in Accumulated Deficit	**12,428**	**11,202**	**10,129**	**8,726**	**8,173**

Ten-Year Review of Selected Financial and Economic Statistics
($Millions)

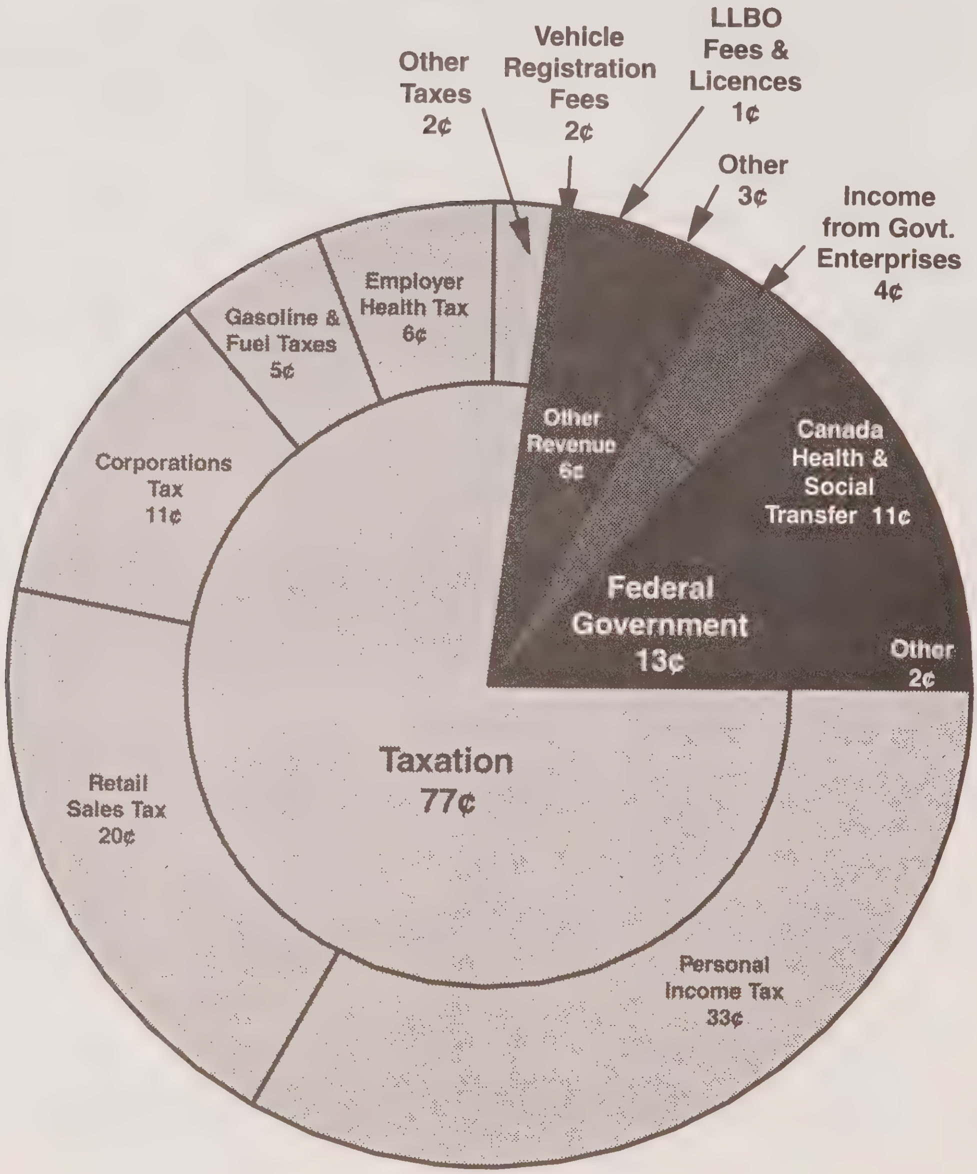
	Modified Cash Basis			
	1987-88	**1988-89**	**1989-90**	**1990-91**
Financial Transactions				
Revenue	32,158	36,991	41,225	42,892
Expense				
Programs	28,548	31,435	33,926	38,924
Restructuring Fund and Other Charges	-	-	-	-
Total Programs Expense	28,548	31,435	33,926	38,924
Capital	2,623	3,268	3,392	3,221
Public Debt Interest	3,476	3,767	3,817	3,776
Total Expense	34,647	38,470	41,135	45,921
Reserve	-	-	-	-
Deficit/(Surplus)	**2,489**	**1,479**	**(90)**	**3,029**
Provincial Purpose Debt	**36,981**	**39,014**	**39,256**	**42,257**
Gross Domestic Product (GDP) at Market Prices	226,798	253,143	276,073	277,508
Personal Income	185,883	206,780	226,707	239,036
Population - July (000s)	9,685	9,884	10,151	10,341
Total Debt per Capita (dollars)	3,818	3,947	3,867	4,086
Personal Income per Capita (dollars)	19,193	20,921	22,333	23,115
Total Expense as a per cent of GDP	15.3	15.2	14.9	16.5
Public Debt Interest as a per cent of Revenue	10.8	10.2	9.3	8.8
Total Debt as a per cent of GDP	16.3	15.4	14.2	15.2
Cumulative Net Borrowing for Ontario Hydro				
U.S.	6,033	5,692	5,150	5,049
C.P.P.	1,508	2,097	2,748	2,748
Contingent Liability (mainly Ontario Hydro)	18,595	20,559	21,490	26,009

Note: 1993-94 and 1994-95 restated actuals.

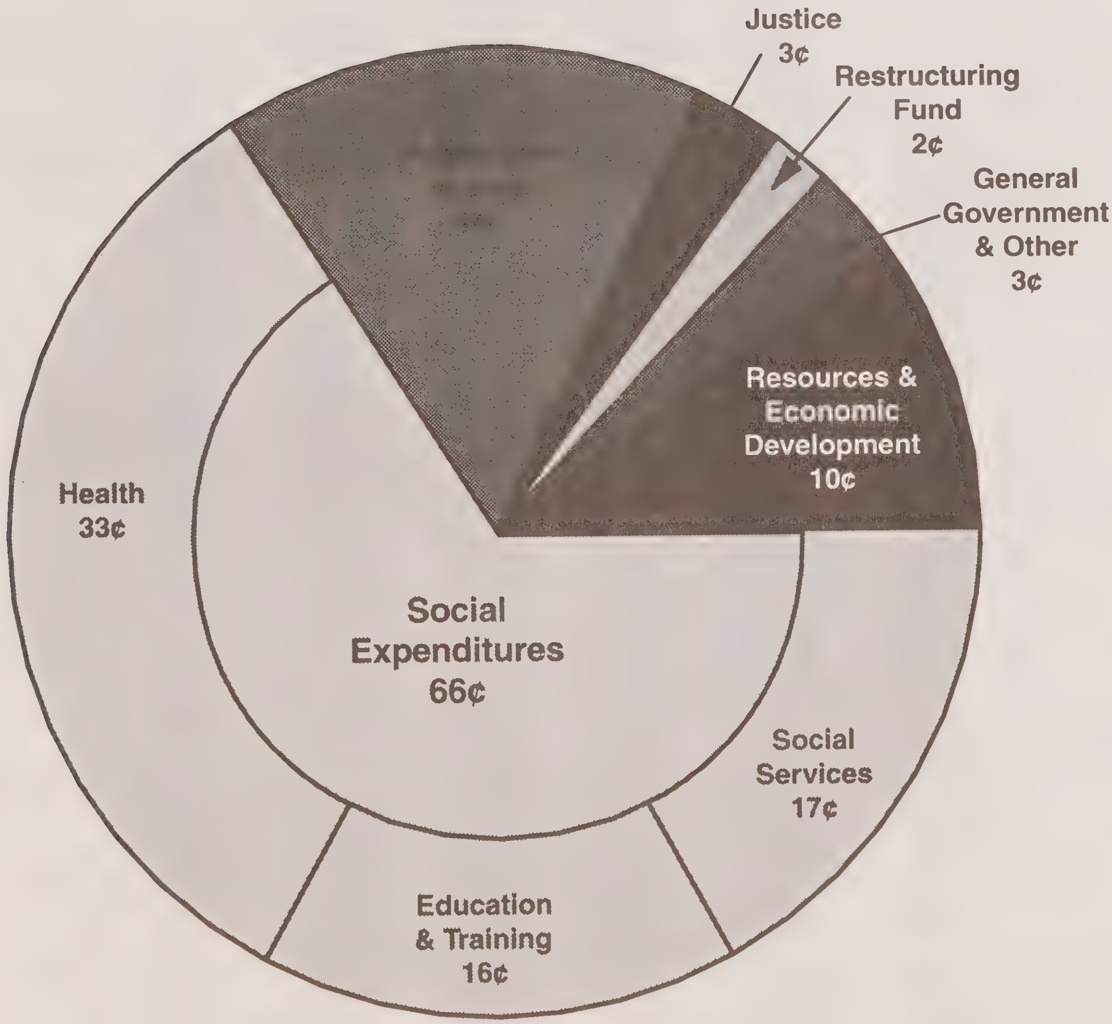
Table 7

		PSAAB Basis			
1991-92	1992-93	1993-94	1994-95	1995-96	Outlook 1996-97
40,753	41,807	43,674	46,039	48,359	46,685
43,613	45,350	44,195	44,505	44,005	41,899
-	-	-	-	1,352	900
43,613	45,350	44,195	44,505	45,357	42,799
3,874	3,592	3,552	3,831	3,473	2,689
4,196	5,293	7,129	7,832	8,255	8,720
51,683	54,235	54,876	56,168	57,085	54,208
-	-	-	-	-	650
10,930	**12,428**	**11,202**	**10,129**	**8,726**	**8,173**
53,083	**68,607**	**79,439**	**88,580**	**98,587**	**101,645**
278,463	282,803	288,569	301,082	313,319	323,625
245,763	250,928	253,217	258,503	267,431	272,233
10,471	10,646	10,815	10,937	11,097	11,252
5,070	6,444	7,345	8,099	8,884	9,034
23,471	23,570	23,413	23,636	24,099	24,194
18.6	19.2	19.0	18.7	18.2	16.8
10.3	12.7	16.3	17.0	17.1	18.7
19.1	24.3	27.5	29.4	31.5	31.4
4,185	3,969	1,789	1,087	1,060	n/a
2,748	2,748	2,748	2,748	2,748	n/a
30,369	34,657	34,008	33,782	31,632	n/a

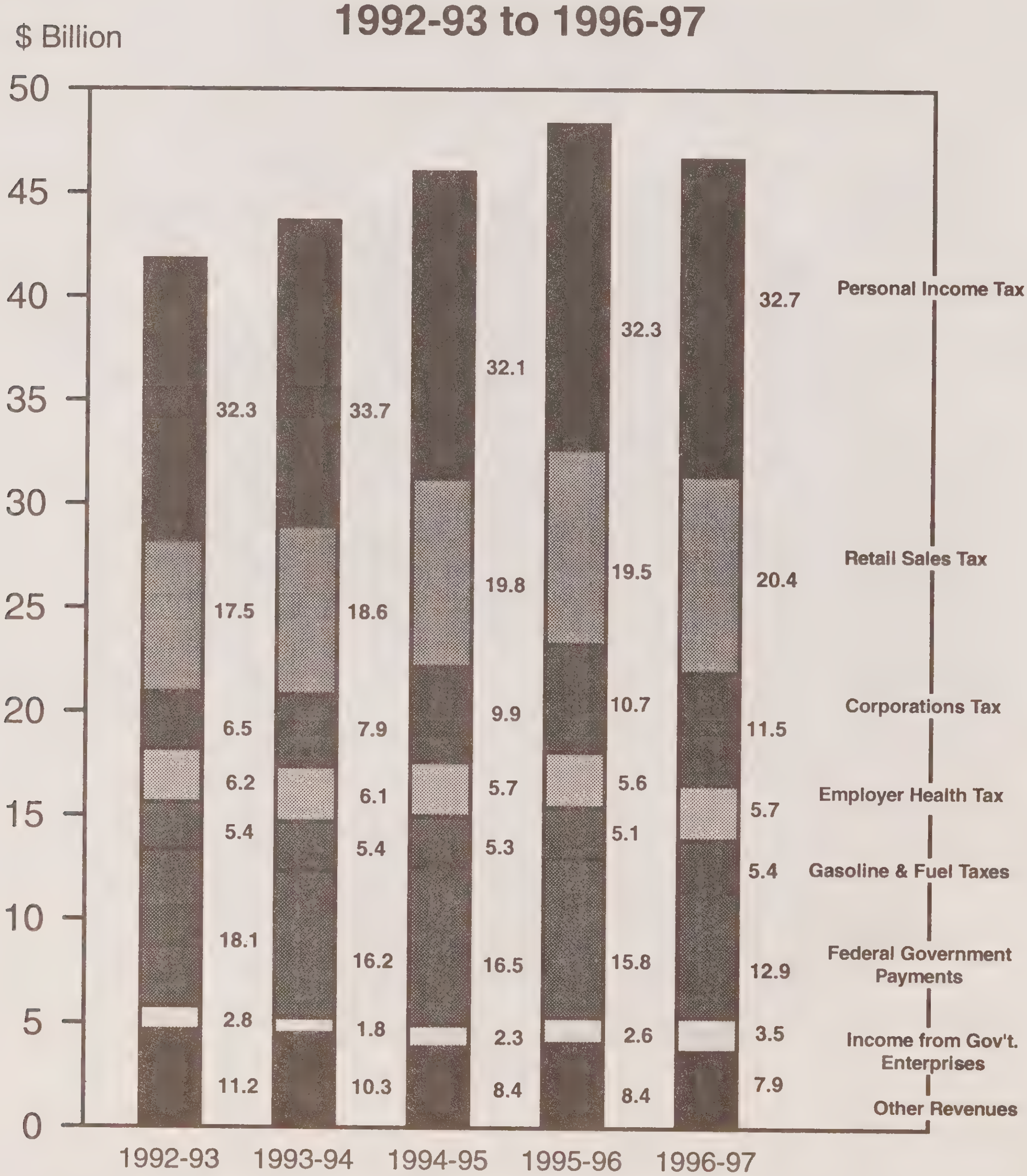
The Budget Dollar: Revenue 1996-97



The Budget Dollar: Total Expense 1996-97



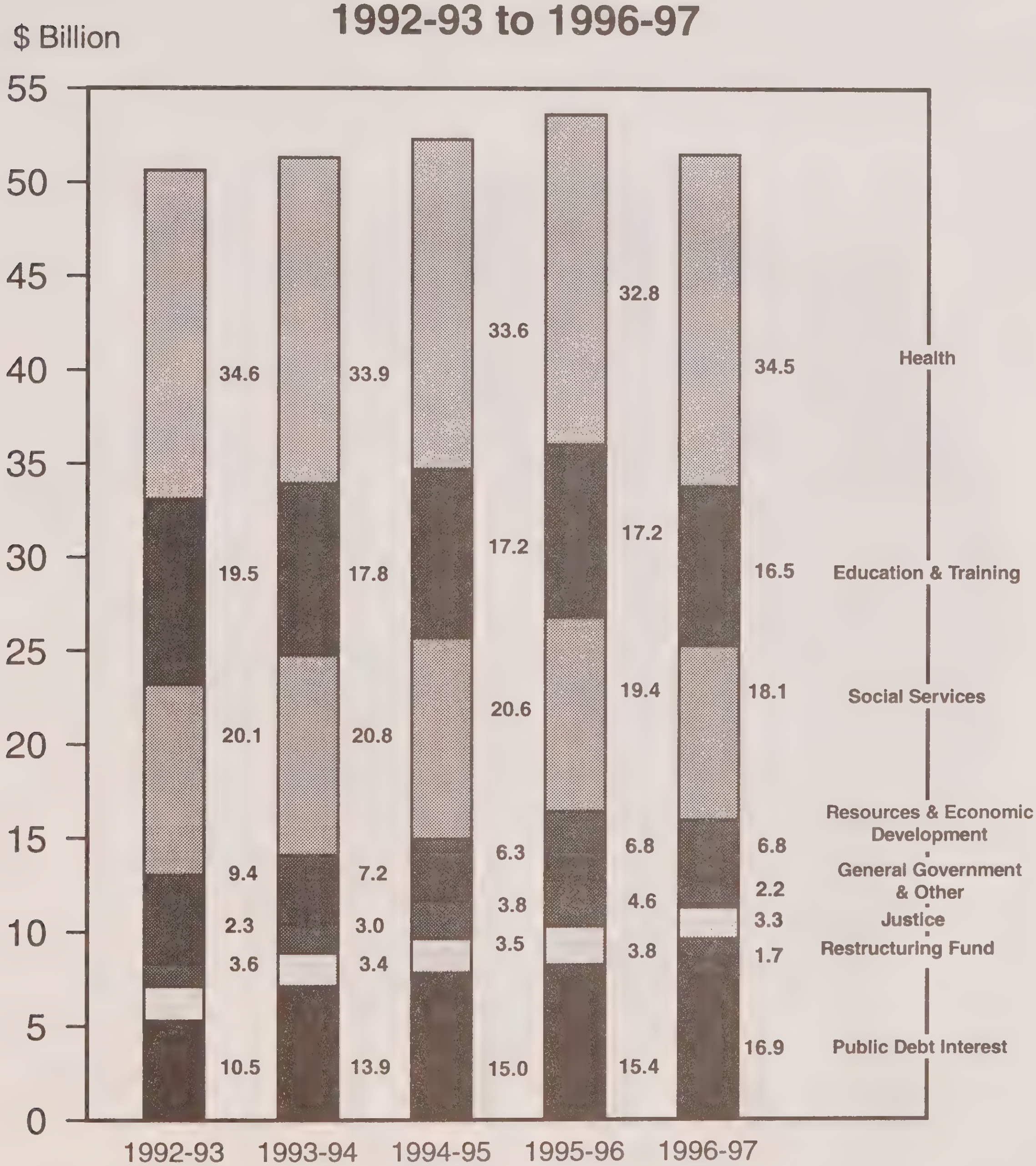
Revenue Sources By Category:
Per Cent of Total
1992-93 to 1996-97



Note: 1992-93 on former modified cash basis of accounting

Operating Expense by Category

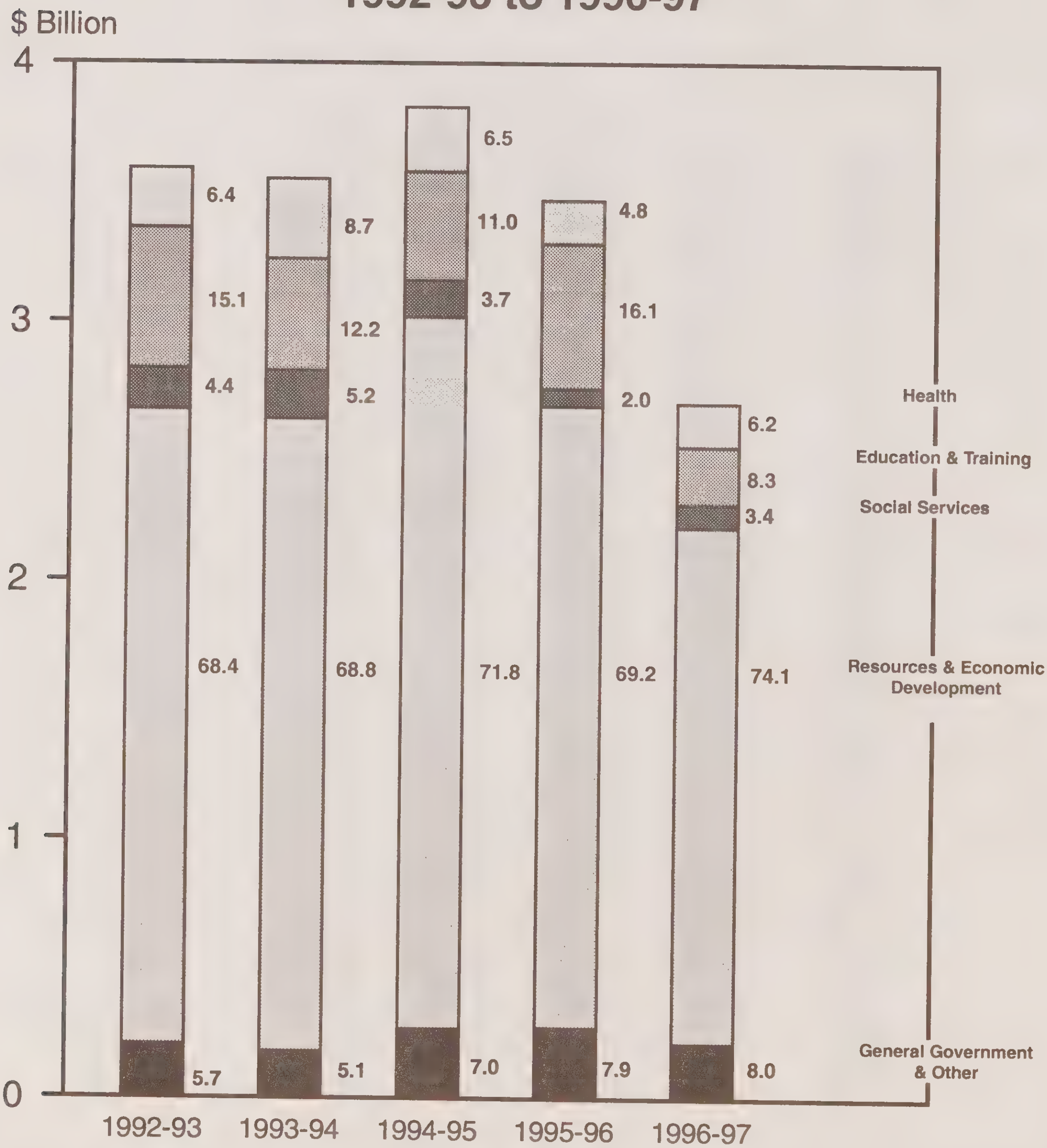
Per Cent of Total
1992-93 to 1996-97



Note: 1992-93 on former modified cash basis of accounting

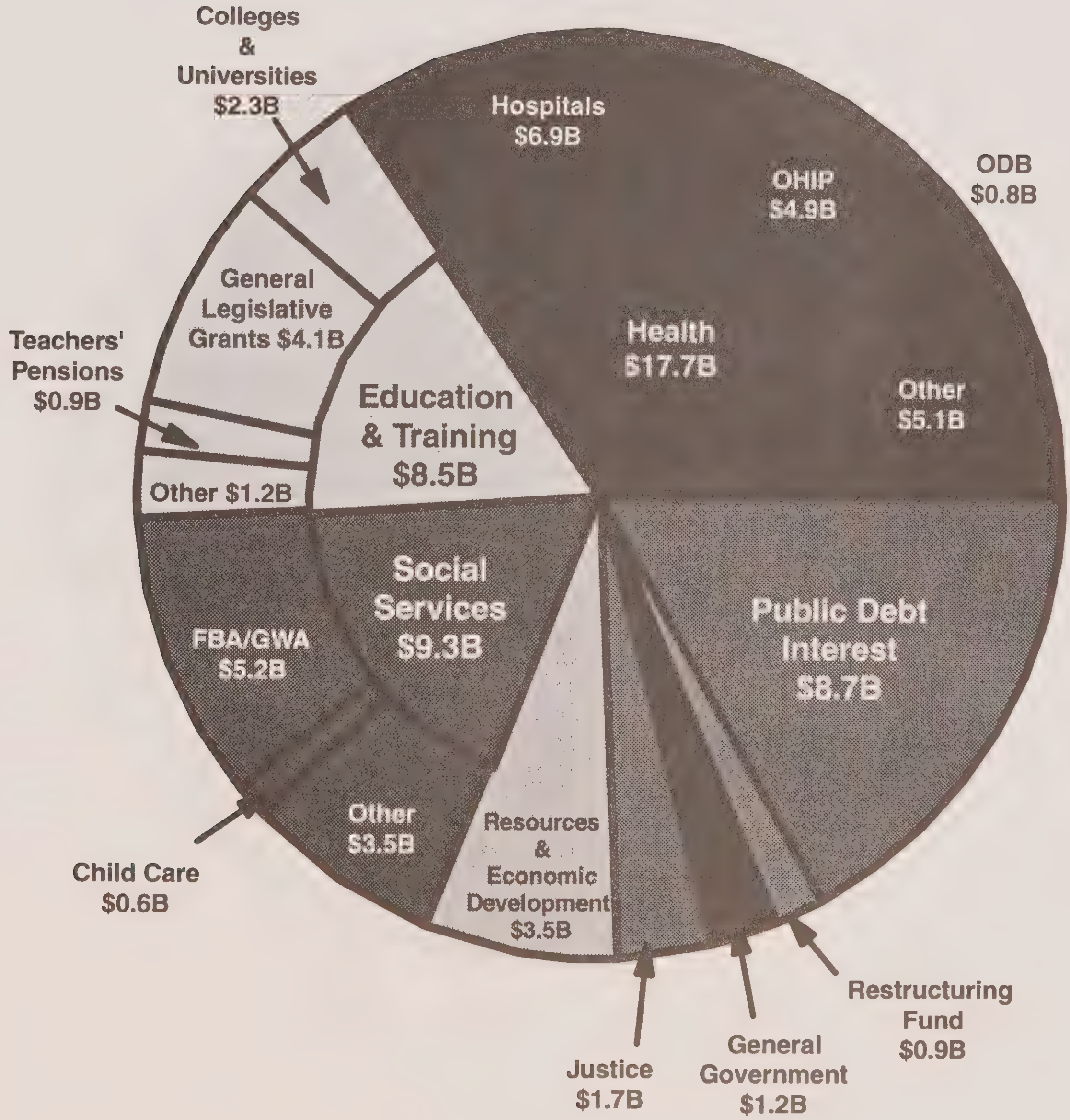
Capital Expense by Category

Per Cent of Total
1992-93 to 1996-97

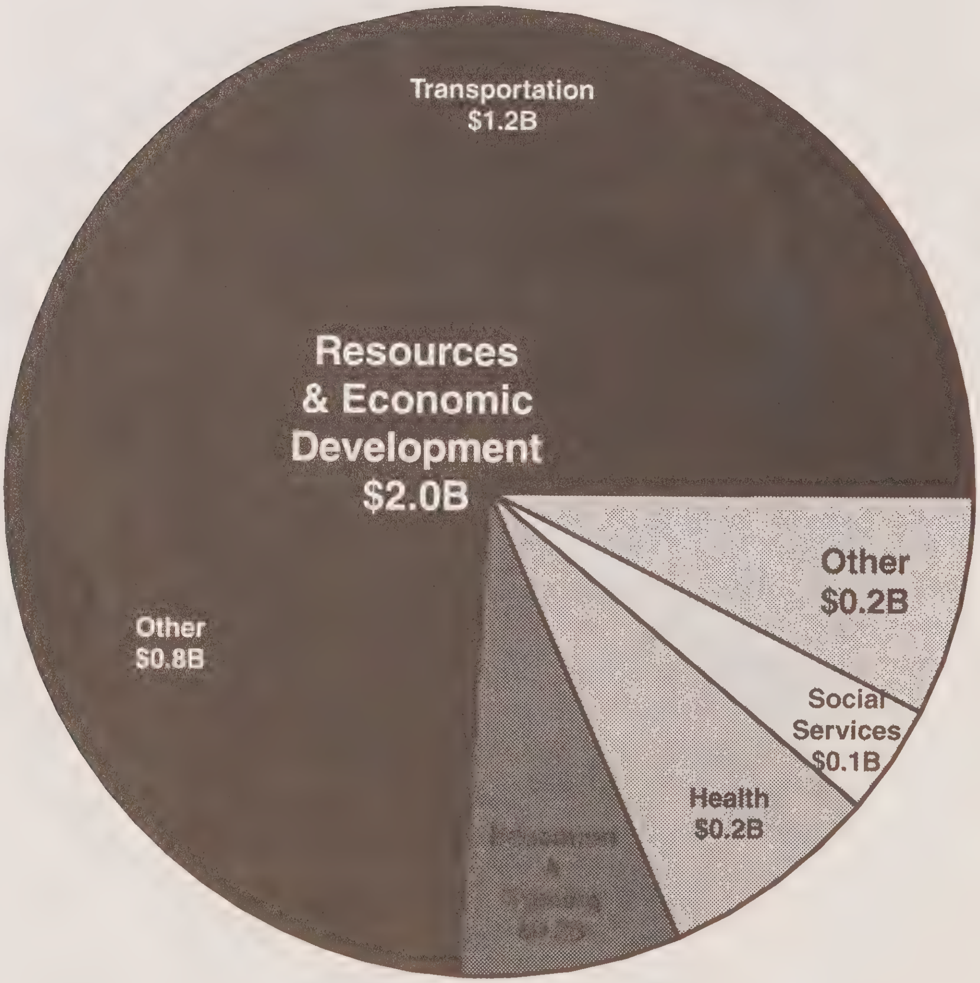


Note: 1992-93 on former modified cash basis of accounting

1996-97 Operating Expense by Sector
($ Billion)



1996-97 Capital Expense by Sector
($ Billion)



Economic Data Tables

List of Tables

Table 1 — The Ontario Economy, 1993-1998

	($ 1986 billions)					
	Actual			Projected		
	1993	1994	1995	1996	1997	1998
Real Gross Domestic Product	**227.0**	**237.8**	**245.3**	**251.0**	**258.2**	**266.0**
Consumption	133.1	136.7	138.9	140.6	144.1	148.4
Government	50.2	49.8	49.7	48.8	47.1	45.4
Residential Construction	11.2	11.3	9.8	10.9	11.9	13.1
Non-Residential Construction	6.3	5.0	4.8	5.1	5.4	5.7
Machinery and Equipment	20.8	24.4	27.7	29.9	33.2	36.9
Exports	144.7	165.5	182.0	189.9	199.0	209.4
Imports	137.4	156.5	170.3	173.3	180.7	189.6
Nominal Gross Domestic Product ($billion)	**288.6**	**301.1**	**313.3**	**323.6**	**338.2**	**354.7**
Other Economic Indicators						
Retail Sales	71.3	76.0	78.4	78.1	81.0	84.7
Housing Starts - Units (000s)	45.1	46.6	35.8	43.2	50.5	59.2
Personal Income ($billion)	253.2	258.5	267.4	272.2	281.0	292.9
Pre-Tax Corporate Profits	18.9	25.0	28.7	30.5	33.2	36.2
Consumer Price Index (1986=100)	**131.2**	**131.3**	**134.5**	**136.4**	**138.6**	**141.1**
Unemployment Rate (%)	10.6	9.2	8.7	9.1	8.2-8.7	7.9-8.4

Sources: Statistics Canada and Ontario Ministry of Finance.

Table 2 **The Ontario Economy, 1993-1998**

	(per cent change)					
	Actual			Projected		
	1993	1994	1995	1996	1997	1998
Real Gross Domestic Product	**1.2**	**4.7**	**3.2**	**2.3**	**2.9**	**3.0**
Consumption	1.1	2.7	1.6	1.2	2.5	3.0
Government	-1.3	-0.7	-0.2	-1.8	-3.6	-3.6
Residential Construction	-7.4	1.8	-13.3	10.6	9.8	9.4
Non-Residential Construction	-20.5	-20.9	-4.2	6.1	6.0	6.9
Machinery and Equipment	4.0	17.0	13.7	7.9	11.2	10.9
Exports	8.2	14.4	9.9	4.4	4.8	5.2
Imports	6.7	13.9	8.8	1.8	4.3	4.9
Nominal Gross Domestic Product	**2.0**	**4.3**	**4.1**	**3.3**	**4.5**	**4.9**
Other Economic Indicators						
Retail Sales	3.8	6.7	3.1	-0.5	3.8	4.5
Housing Starts	-19.1	3.3	-23.2	20.6	17.0	17.2
Personal Income	0.9	2.1	3.5	1.8	3.2	4.2
Pre-Tax Corporate Profits	18.6	31.9	14.9	6.2	9.0	8.9
Consumer Price Index	1.7	0.1	2.4	1.4	1.6	1.8
Employment	1.8	1.4	1.4	1.6	2.0-3.0	2.0-3.0

Sources: Statistics Canada and Ontario Ministry of Finance.

Table 3 — Ontario, Gross Domestic Product, 1982-1995

(billions of dollars)

	1982	1983	1984	1985	1986	1987	1988
Real Gross Domestic Product ($1986)	**161.9**	**173.0**	**188.0**	**195.7**	**205.6**	**214.8**	**227.6**
Consumption	93.5	97.7	102.9	108.9	115.0	121.2	127.8
Government	35.8	35.9	37.2	38.9	38.9	40.7	42.9
Residential Construction	7.6	9.5	10.3	11.5	13.2	15.1	15.8
Non-Residential Construction	6.1	5.6	6.5	7.3	8.3	9.2	10.0
Machinery and Equipment	9.1	9.7	10.3	12.2	15.3	17.3	20.1
Exports	84.6	91.2	104.0	109.4	113.6	116.0	126.8
Imports	67.8	74.0	84.3	91.9	97.6	105.0	118.2
Nominal Gross Domestic Product	**135.7**	**152.0**	**170.4**	**185.6**	**205.6**	**226.8**	**253.1**

Table 3 (continued)

(billions of dollars)

	1989	1990	1991	1992	1993	1994	1995
Real Gross Domestic Product ($1986)	**235.0**	**229.4**	**222.1**	**224.3**	**227.0**	**237.8**	**245.3**
Consumption	132.5	132.8	130.3	131.7	133.1	136.7	138.9
Government	45.1	47.9	50.2	50.9	50.2	49.8	49.7
Residential Construction	17.3	13.6	11.8	12.0	11.2	11.3	9.8
Non-Residential Construction	10.9	10.0	9.6	7.9	6.3	5.0	4.8
Machinery and Equipment	20.5	19.6	19.2	20.0	20.8	24.4	27.7
Exports	131.6	130.6	126.1	133.7	144.7	165.5	182.0
Imports	123.7	122.1	121.5	128.7	137.4	156.5	170.3
Nominal Gross Domestic Product	**276.1**	**277.5**	**278.5**	**282.8**	**288.6**	**301.1**	**313.3**

Sources: Statistics Canada and Ontario Ministry of Finance.

Table 4 — Ontario, Growth in Gross Domestic Product, 1982-1995

(per cent change)

	1982	1983	1984	1985	1986	1987	1988
Real Gross Domestic Product ($1986)	**-3.3**	**6.8**	**8.7**	**4.1**	**5.1**	**4.5**	**5.9**
Consumption	-2.1	4.5	5.3	5.9	5.5	5.4	5.5
Government	4.0	0.3	3.4	4.6	0.1	4.7	5.4
Residential Construction	-13.9	25.1	7.4	11.7	15.4	14.5	4.6
Non-Residential Construction	-7.1	-8.3	15.9	11.6	14.1	10.2	9.7
Machinery and Equipment	-14.0	6.0	6.1	19.2	25.1	12.9	16.5
Exports	-5.6	7.8	14.1	5.2	3.8	2.2	9.3
Imports	-11.4	9.2	14.0	9.0	6.2	7.6	12.6
Nominal Gross Domestic Product	**4.9**	**12.0**	**12.1**	**8.9**	**10.8**	**10.3**	**11.6**

Table 4 (continued)

(per cent change)

	1989	1990	1991	1992	1993	1994	1995
Real Gross Domestic Product ($1986)	**3.3**	**-2.4**	**-3.2**	**1.0**	**1.2**	**4.7**	**3.2**
Consumption	3.7	0.2	-1.9	1.1	1.1	2.7	1.6
Government	5.0	6.1	4.9	1.3	-1.3	-0.7	-0.2
Residential Construction	9.2	-21.1	-13.8	2.4	-7.4	1.8	-13.3
Non-Residential Construction	8.3	-7.8	-4.4	-17.3	-20.5	-20.9	-4.2
Machinery and Equipment	2.1	-4.6	-1.8	4.2	4.0	17.0	13.7
Exports	3.7	-0.7	-3.5	6.1	8.2	14.4	9.9
Imports	4.6	-1.3	-0.5	6.0	6.7	13.9	8.8
Nominal Gross Domestic Product	**9.1**	**0.5**	**0.3**	**1.6**	**2.0**	**4.3**	**4.1**

Sources: Statistics Canada and Ontario Ministry of Finance.

Table 5 — Canada, Gross Domestic Product, 1982-1995

(billions of dollars)

	1982	1983	1984	1985	1986	1987	1988
Real Gross Domestic Product ($1986)	**426.0**	**439.4**	**467.2**	**489.4**	**505.7**	**526.7**	**553.0**
Consumption	250.3	258.9	270.9	284.9	297.5	310.5	324.3
Government	93.1	94.4	95.6	98.6	100.1	101.9	106.1
Residential Construction	21.0	24.6	24.8	27.2	30.8	35.8	36.9
Non-Residential Construction	28.7	26.3	25.8	27.1	25.6	26.4	29.3
Machinery and Equipment	25.3	24.2	25.6	28.7	32.6	37.5	44.6
Exports	99.6	106.0	124.8	132.2	138.1	142.9	156.5
Imports	89.3	97.4	114.1	123.9	133.4	142.7	162.4
Nominal Gross Domestic Product	**374.4**	**405.7**	**444.7**	**478.0**	**505.7**	**551.6**	**605.9**

Table 5 (continued)

(billions of dollars)

	1989	1990	1991	1992	1993	1994	1995
Real Gross Domestic Product ($1986)	**566.5**	**565.2**	**555.1**	**559.3**	**571.7**	**595.0**	**608.8**
Consumption	335.3	338.7	333.4	337.6	342.9	352.9	357.8
Government	110.3	113.9	117.0	118.1	118.7	116.6	115.7
Residential Construction	38.6	34.9	30.5	32.9	31.5	32.1	27.2
Non-Residential Construction	30.8	31.0	30.2	25.7	25.9	27.4	25.9
Machinery and Equipment	47.7	45.6	46.3	46.6	48.4	52.4	58.2
Exports	157.8	164.3	166.7	179.4	198.1	227.1	254.3
Imports	172.6	176.0	181.8	192.0	208.9	232.9	253.1
Nominal Gross Domestic Product	**650.7**	**669.5**	**676.5**	**690.1**	**712.9**	**747.3**	**776.3**

Source: Statistics Canada.

Table 6 **Canada, Growth in Gross Domestic Product, 1982-1995**

	1982	1983	1984	1985	1986	1987	1988
	(per cent change)						
Real Gross Domestic Product ($1986)	**-3.2**	**3.2**	**6.3**	**4.8**	**3.3**	**4.2**	**5.0**
Consumption	-2.6	3.4	4.6	5.2	4.4	4.4	4.5
Government	2.4	1.4	1.2	3.2	1.6	1.7	4.1
Residential Construction	-16.3	17.0	0.5	9.8	13.3	16.4	2.8
Non-Residential Construction	-9.0	-8.5	-1.8	5.2	-5.5	3.0	11.0
Machinery and Equipment	-14.0	-4.1	5.5	12.3	13.5	15.0	19.2
Exports	-2.2	6.4	17.7	6.0	4.5	3.5	9.5
Imports	-15.2	9.0	17.1	8.7	7.6	7.0	13.8
Nominal Gross Domestic Product	**5.2**	**8.4**	**9.6**	**7.5**	**5.8**	**9.1**	**9.8**

Table 6 (continued)

	1989	1990	1991	1992	1993	1994	1995
	(per cent change)						
Real Gross Domestic Product ($1986)	**2.4**	**-0.2**	**-1.8**	**0.8**	**2.2**	**4.1**	**2.3**
Consumption	3.4	1.0	-1.6	1.3	1.6	2.9	1.4
Government	4.0	3.2	2.7	1.0	0.5	-1.7	-0.7
Residential Construction	4.8	-9.7	-12.5	7.9	-4.2	1.8	-15.1
Non-Residential Construction	5.3	0.5	-2.6	-14.8	0.5	6.1	-5.6
Machinery and Equipment	6.8	-4.3	1.4	0.6	3.9	8.4	10.9
Exports	0.8	4.1	1.4	7.6	10.4	14.7	12.0
Imports	6.3	2.0	3.3	5.6	8.8	11.5	8.7
Nominal Gross Domestic Product	**7.4**	**2.9**	**1.0**	**2.0**	**3.3**	**4.8**	**3.9**

Source: Statistics Canada.

Table 7 **Ontario, Selected Economic Indicators, 1982-1995**

	1982	1983	1984	1985	1986	1987	1988
Retail Sales* ($ billions)	38.8	43.1	47.6	53.7	58.6	64.7	69.8
Housing Starts - Units (000s)	38.5	54.9	48.2	64.9	81.5	105.2	99.9
Personal Income ($ billions)	120.8	130.9	144.1	156.2	169.2	185.9	206.8
Pre-Tax Corporate Profits ($ billions)	9.2	14.2	18.1	19.5	21.1	25.2	29.4
Consumer Price Index (1986 = 100)	82.6	87.7	92.0	95.8	100.0	105.1	110.0
Labour Force (000s)	4,701	4,775	4,885	5,012	5,133	5,272	5,408
Employment (000s)	4,244	4,278	4,444	4,608	4,772	4,951	5,136
Unemployment Rate (%)	9.7	10.4	9.0	8.1	7.0	6.1	5.0

Table 7 (continued)

	1989	1990	1991	1992	1993	1994	1995
Retail Sales* ($ billions)	72.6	72.6	67.2	68.7	71.3	76.0	78.4
Housing Starts - Units (000s)	93.3	62.6	52.8	55.8	45.1	46.6	35.8
Personal Income ($ billions)	226.7	239.0	245.8	251.0	253.2	258.5	267.4
Pre-Tax Corporate Profits ($ billions)	27.5	19.7	15.9	16.0	18.9	25.0	28.7
Consumer Price Index (1986 = 100)	116.4	122.0	127.6	129.0	131.2	131.3	134.5
Labour Force (000s)	5,521	5,577	5,582	5,610	5,692	5,707	5,732
Employment (000s)	5,241	5,226	5,044	5,001	5,089	5,160	5,231
Unemployment Rate (%)	5.1	6.3	9.6	10.9	10.6	9.6	8.7

* Retail sales include Federal Sales Taxes up to 1990 but exclude GST after 1990.

Sources: Statistics Canada, Ontario Ministry of Finance and CMHC.

Table 8 — Ontario, Economic Indicators, Annual Change 1982-1995

(per cent change)

	1982	1983	1984	1985	1986	1987	1988
Retail Sales*	5.4	11.1	10.3	13.0	9.0	10.5	7.8
Housing Starts	-23.3	42.6	-12.3	34.7	25.6	29.1	-5.0
Personal Income	12.0	8.3	10.1	8.4	8.3	9.9	11.2
Pre-Tax Corporate Profits	-34.6	53.9	27.3	8.0	7.8	19.6	16.6
Consumer Price Index	10.7	6.2	4.9	4.1	4.4	5.1	4.7
Labour Force	1.2	1.6	2.3	2.6	2.4	2.7	2.6
Employment	-2.2	0.8	3.9	3.7	3.6	3.8	3.7
Unemployment Rate	...	...	...	...	...	...	...

Table 8 (continued)

(per cent change)

	1989	1990	1991	1992	1993	1994	1995
Retail Sales*	4.0	0.0	-7.5	2.3	3.8	6.7	3.1
Housing Starts	-6.6	-32.9	-15.7	5.6	-19.1	3.3	-23.2
Personal Income	9.6	5.4	2.8	2.1	0.9	2.1	3.5
Pre-Tax Corporate Profits	-6.3	-28.3	-19.4	0.3	18.6	31.9	14.9
Consumer Price Index	5.8	4.8	4.6	1.1	1.7	0.1	2.4
Labour Force	2.1	1.0	0.1	0.5	1.5	0.3	0.4
Employment	2.0	-0.3	-3.5	-0.9	1.8	1.4	1.4
Unemployment Rate	...	...	...	...	...	...	...

* Retail sales include Federal Sales Taxes up to 1990 but exclude GST after 1990.

... Figures not appropriate or not applicable.

Sources: Statistics Canada, Ontario Ministry of Finance and CMHC.

Table 9 **Canada, Selected Economic Indicators, 1982-1995**

	1982	1983	1984	1985	1986	1987	1988
Retail Sales* ($ billions)	107.1	116.6	127.4	142.2	153.8	168.9	181.7
Housing Starts - Units (000s)	125.9	162.6	134.9	165.8	199.8	246.0	222.6
Personal Income ($ billions)	324.8	343.1	372.2	400.2	427.3	461.2	506.0
Pre-Tax Corporate Profits ($ billions)	26.8	37.1	45.9	49.5	45.4	56.6	64.7
Consumer Price Index (1986 = 100)	83.7	88.5	92.4	96.0	100.0	104.4	108.6
Labour Force (000s)	12,398	12,610	12,853	13,123	13,378	13,631	13,900
Employment (000s)	11,035	11,106	11,402	11,742	12,095	12,422	12,819
Unemployment Rate (%)	11.0	11.9	11.3	10.5	9.6	8.9	7.8

Table 9 (continued)	1989	1990	1991	1992	1993	1994	1995
Retail Sales* ($ billions)	189.3	192.6	181.2	185.0	193.8	206.9	211.5
Housing Starts - Units (000s)	215.4	181.6	156.2	168.3	155.4	154.1	110.9
Personal Income ($ billions)	550.2	587.5	606.0	621.8	633.4	645.2	666.5
Pre-Tax Corporate Profits ($ billions)	60.1	44.8	34.8	35.1	42.1	56.6	64.0
Consumer Price Index (1986 = 100)	114.0	119.5	126.2	128.1	130.4	130.7	133.5
Labour Force (000s)	14,151	14,329	14,408	14,482	14,663	14,832	14,928
Employment (000s)	13,086	13,165	12,916	12,842	13,015	13,292	13,506
Unemployment Rate (%)	7.5	8.1	10.4	11.3	11.2	10.4	9.5

* Retail sales include Federal Sales Taxes up to 1990 but exclude GST after 1990.

Sources: Statistics Canada, Ontario Ministry of Finance and CMHC.

Table 10 Canada, Economic Indicators, Annual Change 1982-1995

	(per cent change)						
	1982	1983	1984	1985	1986	1987	1988
Retail Sales*	3.5	8.9	9.3	11.6	8.1	9.8	7.6
Housing Starts	-29.3	29.2	-17.0	22.9	20.5	23.1	-9.5
Personal Income	10.8	5.6	8.5	7.5	6.8	7.9	9.7
Pre-Tax Corporate Profits	-28.7	38.1	23.7	7.9	-8.4	24.7	14.3
Consumer Price Index	10.9	5.7	4.4	3.9	4.2	4.4	4.0
Labour Force	0.5	1.7	1.9	2.1	1.9	1.9	2.0
Employment	-3.2	0.6	2.7	3.0	3.0	2.7	3.2
Unemployment Rate	...	...	...	...	...	...	...

Table 10 (continued)

	(per cent change)						
	1989	1990	1991	1992	1993	1994	1995
Retail Sales*	4.2	1.7	-5.9	2.1	4.7	6.7	2.3
Housing Starts	-3.2	-15.7	-14.0	7.7	-7.6	-0.9	-28.0
Personal Income	8.7	6.8	3.1	2.6	1.9	1.9	3.3
Pre-Tax Corporate Profits	-7.1	-25.4	-22.3	0.7	20.2	34.4	13.1
Consumer Price Index	5.0	4.8	5.6	1.5	1.8	0.2	2.1
Labour Force	1.8	1.3	0.6	0.5	1.2	1.2	0.6
Employment	2.1	0.6	-1.9	-0.6	1.3	2.1	1.6
Unemployment Rate	...	...	...	...	...	...	...

* Retail sales include Federal Sales Taxes up to 1990 but exclude GST after 1990.

... Figures not appropriate or not applicable.

Sources: Statistics Canada, Ontario Ministry of Finance and CMHC.

Table 11

Ontario, Growth in Real Gross Domestic Product by Industry[1], 1989-95

	(millions of dollars)			
	1989	1990	1991	1992
Goods Producing Industries	**75,024**	**69,853**	**65,303**	**65,230**
Primary Industries	5,862	5,444	5,064	5,012
Agriculture	2,789	2,557	2,442	2,430
Manufacturing [2]	51,157	47,731	43,901	44,815
Construction	12,765	12,005	11,035	10,273
Utilities	5,240	4,673	5,303	5,131
Services Producing Industries	**129,061**	**128,853**	**127,831**	**128,431**
Transportation, Storage and Communication	14,068	14,427	13,943	14,097
Transportation & Storage	7,615	7,472	6,722	6,706
Communication	6,453	6,955	7,221	7,391
Trade	24,653	24,328	23,282	23,573
Wholesale	12,278	12,366	12,061	12,257
Retail	12,375	11,962	11,221	11,316
Finance, Insurance and Real Estate	30,914	30,878	31,545	31,386
Community, Business and Personal Services	47,666	47,249	46,808	46,938
Education	10,297	10,683	10,947	11,114
Health & Social Services	12,612	12,522	12,917	12,902
Business Services	11,034	10,853	10,552	10,438
Accommodation, Food & Beverage Services	5,026	4,760	4,069	4,106
Amusement & Recreation	2,130	2,047	1,933	1,975
Personal & Household Services	3,555	3,593	3,409	3,358
Other Services	3,013	2,792	2,981	3,045
Government Services	11,761	11,970	12,254	12,437
Federal	5,661	5,760	5,909	6,024
Provincial	2,980	2,979	3,055	3,086
Local	3,120	3,231	3,290	3,327
Miscellaneous Industries	1,314	1,368	1,353	1,327
Total Production (1986$) at Factor Cost	**205,399**	**200,073**	**194,487**	**194,987**
Indirect Taxes Less Subsidies plus Miscellaneous Adjustments	29,650	29,317	27,619	29,343
Gross Domestic Product (1986$) at Market Prices	**235,049**	**229,390**	**222,106**	**224,330**

Table 11(continued) **Ontario, Growth in Real Gross Domestic Product by Industry[1], 1989-95**

	(millions of dollars)		
	1993	1994	1995
Goods Producing Industries	**66,402**	**71,055**	**73,872**
Primary Industries	5,111	5,286	5,426
Agriculture	2,537	2,826	2,886
Manufacturing [2]	46,929	51,099	54,255
Construction	9,123	9,223	8,781
Utilities	5,239	5,447	5,410
Services Producing Industries	**130,499**	**134,280**	**137,351**
Transportation, Storage and Communication	14,218	14,944	15,649
Transportation & Storage	6,766	7,030	7,149
Communication	7,452	7,914	8,500
Trade	24,452	26,463	27,374
Wholesale	12,955	14,369	15,129
Retail	11,497	12,094	12,245
Finance, Insurance and Real Estate	32,078	32,559	32,987
Community, Business and Personal Services	47,360	48,030	49,237
Education	11,203	11,181	11,136
Health & Social Services	12,915	12,941	13,135
Business Services	10,615	10,998	11,711
Accommodation, Food & Beverage Services	4,173	4,333	4,403
Amusement & Recreation	1,943	2,030	2,191
Personal & Household Services	3,351	3,355	3,345
Other Services	3,160	3,192	3,316
Government Services	12,392	12,285	12,104
Federal	6,021	6,044	5,904
Provincial	3,063	2,982	2,948
Local	3,308	3,259	3,251
Miscellaneous Industries	1,240	1,346	1,945
Total Production (1986$) at Factor Cost	**198,142**	**206,681**	**213,168**
Indirect Taxes Less Subsidies plus Miscellaneous Adjustments	28,813	31,072	32,103
Gross Domestic Product (1986$) at Market Prices	**226,954**	**237,754**	**245,271**

Notes: 1. Gross Domestic Product on an industry basis is at factor cost, whereas GDP on an expenditure basis is at market prices.

2 See Table 13 for detailed Manufacturing industries.

Sources: Statistics Canada and Ontario Ministry of Finance.

Table 12

Ontario, Growth in Real Gross Domestic Product by Industry[1], 1989-95

	(millions of dollars)			
	1989	1990	1991	1992
Goods Producing Industries	**1.3**	**-6.9**	**-6.5**	**-0.1**
Primary Industries	2.3	-7.1	-7.0	-1.0
Agriculture	5.6	-8.3	-4.5	-0.5
Manufacturing [2]	0.3	-6.7	-8.0	2.1
Construction	7.4	-6.0	-8.1	-6.9
Utilities	-4.0	-10.8	13.5	-3.2
Services Producing Industries	**4.5**	**-0.2**	**-0.8**	**0.5**
Transportation, Storage and Communication	6.1	2.6	-3.4	1.1
Transportation & Storage	1.0	-1.9	-10.0	-0.2
Communication	12.8	7.8	3.8	2.4
Trade	4.8	-1.3	-4.3	1.3
Wholesale	6.1	0.7	-2.5	1.6
Retail	3.5	-3.3	-6.2	0.8
Finance, Insurance and Real Estate	3.6	-0.1	2.2	-0.5
Community, Business and Personal Services	4.7	-0.9	-0.9	0.3
Education	3.2	3.8	2.5	1.5
Health & Social Services	4.5	-0.7	3.2	-0.1
Business Services	7.6	-1.6	-2.8	-1.1
Accommodation, Food & Beverage Services	4.3	-5.3	-14.5	0.9
Amusement & Recreation	0.8	-3.9	-5.6	2.2
Personal & Household Services	7.0	1.1	-5.1	-1.5
Other Services	2.2	-7.3	6.7	2.1
Government Services	3.5	1.8	2.4	1.5
Federal	3.0	1.7	2.6	1.9
Provincial	3.9	0.0	2.6	1.0
Local	4.0	3.6	1.8	1.1
Total Production (1986$) at Factor Cost	**3.3**	**-2.6**	**-2.8**	**0.3**
Gross Domestic Product (1986$) at Market Prices	**3.3**	**-2.4**	**-3.2**	**1.0**

Table 12(continued) **Ontario, Real Gross Domestic Product by Industry[1], 1989-95**

	(millions of dollars)		
	1993	1994	1995
Goods Producing Industries	**1.8**	**7.0**	**4.0**
Primary Industries	2.0	3.4	2.7
Agriculture	4.4	11.4	2.1
Manufacturing [2]	4.7	8.9	6.2
Construction	-11.2	1.1	-4.8
Utilities	2.1	4.0	-0.7
Services Producing Industries	**1.6**	**2.9**	**2.3**
Transportation, Storage and Communication	0.9	5.1	4.7
Transportation & Storage	0.9	3.9	1.7
Communication	0.8	6.2	7.4
Trade	3.7	8.2	3.4
Wholesale	5.7	10.9	5.3
Retail	1.6	5.2	1.2
Finance, Insurance and Real Estate	2.2	1.5	1.3
Community, Business and Personal Services	0.9	1.4	2.5
Education	0.8	-0.2	-0.4
Health & Social Services	0.1	0.2	1.5
Business Services	1.7	3.6	6.5
Accommodation, Food & Beverage Services	1.6	3.8	1.6
Amusement & Recreation	-1.6	4.5	7.9
Personal & Household Services	-0.2	0.1	-0.3
Other Services	3.8	1.0	3.9
Government Services	-0.4	-0.9	-1.5
Federal	-0.1	0.4	-2.3
Provincial	-0.7	-2.6	-1.1
Local	-0.6	-1.5	-0.2
Total Production (1986$) at Factor Cost	**1.6**	**4.3**	**3.1**
Gross Domestic Product (1986$) at Market Prices	**1.2**	**4.8**	**3.2**

Notes: 1. Gross Domestic Product on an industry basis is at factor cost, whereas GDP on an expenditure basis is at market prices.

2 See Table 14 for detailed Manufacturing industries.

Sources: Statistics Canada and Ontario Ministry of Finance.

Table 13 — **Ontario, Real Gross Domestic Product in Selected Manufacturing Industries[1], 1989-95**

	(millions of dollars)						
	1989	1990	1991	1992	1993	1994	1995
Manufacturing	51,157	47,731	43,901	44,815	46,929	51,099	54,255
Food	4,359	4,231	4,328	4,625	4,677	4,884	4,883
Beverage	1,255	1,107	993	1,087	1,177	1,207	1,216
Rubber Products	659	649	563	688	759	861	917
Plastics Products	1,132	1,084	1,032	1,117	1,187	1,298	1,316
Leather & Allied Products	236	186	140	142	151	161	168
Primary Textile & Textile Products	1,089	910	858	784	781	901	877
Clothing	796	659	578	595	607	589	614
Wood	986	796	661	684	721	767	719
Furniture & Fixture	884	811	661	645	684	775	884
Paper & Allied Products	2,565	2,497	2,153	2,240	2,188	2,248	2,237
Printing & Publishing	3,177	3,041	2,604	2,412	2,254	2,265	2,118
Primary Metals	3,788	3,289	3,236	3,238	3,574	3,664	3,723
Fabricated Metal Product	4,018	3,631	3,082	2,906	3,042	3,450	3,585
Machinery	2,241	2,094	1,584	1,461	1,645	1,837	2,019
Transportation Equipment	10,324	9,637	8,954	9,241	10,239	11,171	11,863
Electrical & Electronic	5,372	5,123	5,296	5,601	5,819	7,676	9,464
Non-metallic Mineral Products	1,780	1,504	1,146	1,095	1,137	1,157	1,161
Refined Petroleum & Coal Products	674	678	643	648	656	669	683
Chemical & Chemical Products	4,085	4,110	3,611	3,888	3,956	4,064	4,129
Other Manufacturing	1,737	1,694	1,778	1,718	1,675	1,455	1,679

Note: 1. Gross Domestic Product on an industry basis is at factor cost, whereas GDP on an expenditure basis is at market prices.

Sources: Statistics Canada and Ontario Ministry of Finance.

Table 14

Ontario, Growth in Real Gross Domestic Product in Selected Manufacturing Industries[1], 1989-95

	(per cent change)						
	1989	1990	1991	1992	1993	1994	1995
Manufacturing	**0.3**	**-6.7**	**-8.0**	**2.1**	**4.7**	**8.9**	**6.2**
Food	0.5	-2.9	2.3	6.9	1.1	4.4	0.0
Beverage	1.2	-11.8	-10.3	9.5	8.3	2.5	0.8
Rubber Products	-5.4	-1.6	-13.2	22.2	10.4	13.4	6.5
Plastics Products	0.0	-4.2	-4.8	8.2	6.2	9.4	1.4
Leather & Allied Products	-9.5	-21.4	-24.4	0.9	6.5	6.5	4.3
Primary Textile & Textile Products	-2.1	-16.4	-5.7	-8.7	-0.4	15.4	-2.6
Clothing	-1.3	-17.2	-12.2	3.0	1.9	-2.9	4.2
Wood	2.5	-19.3	-16.9	3.4	5.4	6.4	-6.3
Furniture & Fixture	-4.0	-8.3	-18.5	-2.4	6.1	13.3	14.1
Paper & Allied Products	1.3	-2.7	-13.8	4.0	-2.3	2.7	-0.5
Printing & Publishing	4.0	-4.3	-14.4	-7.3	-6.5	0.5	-6.5
Primary Metals	-3.0	-13.2	-1.6	0.0	10.4	2.5	1.6
Fabricated Metal Product	0.6	-9.6	-15.1	-5.7	4.7	13.4	3.9
Machinery	-5.0	-6.6	-24.4	-7.7	12.6	11.7	9.9
Transportation Equipment	2.3	-6.7	-7.1	3.2	10.8	9.1	6.2
Electrical & Electronic	5.8	-4.6	3.4	5.8	3.9	31.9	23.3
Non-metallic Mineral Products	-4.5	-15.5	-23.8	-4.4	3.8	1.7	0.3
Refined Petroleum & Coal Products	3.1	0.6	-5.1	0.7	1.3	2.0	2.1
Chemical & Chemical Products	-2.7	0.6	-12.1	7.6	1.8	2.7	1.6
Other Manufacturing	-3.5	-2.5	5.0	-3.4	-2.5	-13.1	15.4

Note: 1. Gross Domestic Product on an industry basis is at factor cost, whereas GDP on an expenditure basis is at market prices.

Sources: Statistics Canada and Ontario Ministry of Finance.

Table 15

Canada, Real Gross Domestic Product by Industry[1], 1989-95

	(millions of dollars)			
	1989	1990	1991	1992
Goods Producing Industries	**179,614**	**175,546**	**167,182**	**166,184**
Primary Industries	34,099	34,498	34,188	33,883
Agriculture	10,232	10,838	10,712	10,030
Manufacturing [2]	96,511	92,919	86,353	87,471
Construction	32,502	32,396	30,086	28,423
Utilities	16,502	15,733	16,555	16,407
Services Producing Industries	**325,434**	**328,113**	**327,360**	**331,418**
Transportation, Storage and Communication	41,371	41,985	41,638	42,658
Transportation & Storage	24,460	23,863	22,837	23,308
Communication	16,911	18,122	18,801	19,351
Trade	59,724	59,330	56,983	57,628
Wholesale	28,111	28,435	27,691	27,984
Retail	31,613	30,895	29,291	29,643
Finance, Insurance and Real Estate	77,712	78,491	80,462	81,284
Community, Business and Personal Services	113,686	114,701	114,206	115,380
Education	26,785	27,334	27,640	28,220
Health & Social Services	30,918	31,918	32,603	32,759
Business Services	22,553	22,618	22,341	22,395
Accommodation, Food & Beverage Services	12,635	12,233	10,929	11,074
Amusement & Recreation	5,385	5,428	5,330	5,442
Personal & Household Services	8,517	8,658	8,393	8,307
Other Services	6,895	6,511	6,970	7,184
Government Services	32,941	33,606	34,072	34,468
Federal	14,734	14,896	15,080	15,209
Provincial	10,093	10,401	10,566	10,694
Local	8,114	8,309	8,426	8,565
Total Production (1986$) at Factor Cost	**505,050**	**503,661**	**494,545**	**497,604**
Indirect Taxes Less Subsidies	61,436	61,494	60,507	61,701
Gross Domestic Product (1986$) at Market Prices	**566,486**	**565,155**	**555,052**	**559,305**

Table 15 (continued) **Canada, Real Gross Domestic Product by Industry[1], 1989-95**

	1993	1994	1995
	(millions of dollars)		
Goods Producing Industries	**172,124**	**182,441**	**185,933**
Primary Industries	35,780	37,537	38,696
Agriculture	10,726	11,195	11,441
Manufacturing [2]	91,631	98,633	102,384
Construction	27,867	28,662	27,221
Utilities	16,846	17,609	17,632
Services Producing Industries	**338,564**	**349,156**	**356,071**
Transportation, Storage and Communication	43,835	46,513	48,605
Transportation & Storage	23,933	25,166	25,712
Communication	19,902	21,347	22,893
Trade	59,978	64,261	65,493
Wholesale	29,509	32,232	33,171
Retail	30,468	32,029	32,322
Finance, Insurance and Real Estate	83,378	85,380	86,772
Community, Business and Personal Services	117,155	119,246	122,109
Education	28,566	28,575	28,511
Health & Social Services	32,617	32,628	33,204
Business Services	23,101	24,031	25,502
Accommodation, Food & Beverage Services	11,316	11,733	11,937
Amusement & Recreation	5,599	6,094	6,498
Personal & Household Services	8,455	8,551	8,535
Other Services	7,501	7,634	7,922
Government Services	34,219	33,756	33,092
Federal	15,057	14,957	14,487
Provincial	10,577	10,282	10,117
Local	8,585	8,517	8,488
Total Production (1986$) at Factor Cost	**510,690**	**531,596**	**542,004**
Indirect Taxes Less Subsidies	61,032	63,394	66,831
Gross Domestic Product (1986$) at Market Prices	**571,722**	**594,990**	**608,835**

Notes: 1. Gross Domestic Product on an industry basis is at factor cost, whereas GDP on an expenditure basis is at market prices.

2 See Table 17 for detailed Manufacturing industries.

Source: Statistics Canada.

Table 16 **Canada, Growth in Real Gross Domestic Product by Industry[1], 1989-95**

	(per cent change)			
	1989	1990	1991	1992
Goods Producing Industries	**1.4**	**-2.3**	**-4.8**	**-0.6**
Primary Industries	0.4	1.2	-0.9	-0.9
Agriculture	8.3	5.9	-1.2	-6.4
Manufacturing [2]	0.9	-3.7	-7.1	1.3
Construction	5.5	-0.3	-7.1	-5.5
Utilities	-1.4	-4.7	5.2	-0.9
Services Producing Industries	**3.2**	**0.8**	**-0.2**	**1.2**
Transportation, Storage and Communication	3.3	1.5	-0.8	2.4
Transportation & Storage	-1.2	-2.4	-4.3	2.1
Communication	10.5	7.2	3.7	2.9
Trade	3.3	-0.7	-4.0	1.1
Wholesale	4.2	1.2	-2.6	1.1
Retail	2.5	-2.3	-5.2	1.2
Finance, Insurance and Real Estate	2.7	1.0	2.5	1.0
Community, Business and Personal Services	3.7	0.9	-0.4	1.0
Education	2.5	2.1	1.1	2.1
Health & Social Services	3.7	3.2	2.1	0.5
Business Services	6.6	0.3	-1.2	0.2
Accommodation, Food & Beverage Services	4.3	-3.2	-10.7	1.3
Amusement & Recreation	-3.9	0.8	-1.8	2.1
Personal & Household Services	4.6	1.7	-3.1	-1.0
Other Services	4.1	-5.6	7.0	3.1
Government Services	2.1	2.0	1.4	1.2
Federal	1.7	1.1	1.2	0.9
Provincial	2.4	3.1	1.6	1.2
Local	2.4	2.4	1.4	1.7
Total Production (1986$) at Factor Cost	**2.5**	**-0.3**	**-1.8**	**0.6**
Gross Domestic Product (1986$) at Market Prices	**2.4**	**-0.2**	**-1.8**	**0.8**

Table 16 (continued) **Canada, Growth in Real Gross Domestic Product by Industry[1], 1989-95**

	(per cent change)		
	1993	1994	1995
Goods Producing Industries	**3.6**	**6.0**	**1.9**
Primary Industries	5.6	4.9	3.1
Agriculture	6.9	4.4	2.2
Manufacturing [2]	4.8	7.6	3.8
Construction	-2.0	2.9	-5.0
Utilities	2.7	4.5	0.1
Services Producing Industries	**2.2**	**3.1**	**2.0**
Transportation, Storage and Communication	2.8	6.1	4.5
Transportation & Storage	2.7	5.2	2.2
Communication	2.8	7.3	7.2
Trade	4.1	7.1	1.9
Wholesale	5.4	9.2	2.9
Retail	2.8	5.1	0.9
Finance, Insurance and Real Estate	2.6	2.4	1.6
Community, Business and Personal Services	1.5	1.8	2.4
Education	1.2	0.0	-0.2
Health & Social Services	-0.4	0.0	1.8
Business Services	3.2	4.0	6.1
Accommodation, Food & Beverage Services	2.2	3.7	1.7
Amusement & Recreation	2.9	8.8	6.6
Personal & Household Services	1.8	1.1	-0.2
Other Services	4.4	1.8	3.8
Government Services	-0.7	-1.4	-2.0
Federal	-1.0	-0.7	-3.1
Provincial	-1.1	-2.8	-1.6
Local	0.2	-0.8	-0.3
Total Production (1986$) at Factor Cost	**2.6**	**4.1**	**2.0**
Gross Domestic Product (1986$) at Market Prices	**2.2**	**4.1**	**2.3**

Notes: 1. Gross Domestic Product on an industry basis is at factor cost, whereas GDP on an expenditure basis is at market prices.

2 See Table 18 for detailed Manufacturing industries.

Source: Statistics Canada.

Table 17 — **Canada, Real Gross Domestic Product in Selected Manufacturing Industries[1], 1989-95**

	(millions of dollars)						
	1989	1990	1991	1992	1993	1994	1995
Manufacturing	96,511	92,919	86,353	87,471	91,631	98,633	102,384
Food	9,251	9,422	9,643	9,793	9,832	10,173	10,228
Beverage	2,466	2,362	2,130	2,359	2,456	2,497	2,505
Rubber Products	1,085	1,058	951	1,187	1,373	1,482	1,514
Plastics Products	1,958	1,871	1,778	1,849	1,993	2,204	2,194
Leather & Allied Products	460	399	315	308	315	330	325
Primary Textile & Textile Products	2,195	1,991	1,863	1,798	1,830	1,995	2,003
Clothing	2,604	2,478	2,245	2,146	2,155	2,201	2,223
Wood	5,337	4,898	4,384	4,730	5,016	5,221	5,140
Furniture & Fixture	1,669	1,565	1,291	1,289	1,341	1,513	1,652
Paper & Allied Products	7,740	7,484	7,167	7,199	7,432	7,776	7,839
Printing & Publishing	5,855	5,764	5,151	4,804	4,612	4,573	4,326
Primary Metals	6,922	6,438	6,459	6,659	7,394	7,518	7,615
Fabricated Metal Product	6,891	6,482	5,703	5,395	5,456	6,128	6,316
Machinery	3,919	3,621	2,920	2,727	3,080	3,478	3,816
Transportation Equipment	14,225	13,372	12,031	12,277	13,670	15,074	15,832
Electrical & Electronic	8,180	8,193	8,003	8,506	8,766	10,793	12,955
Non-metallic Mineral Products	3,231	2,896	2,412	2,388	2,462	2,542	2,507
Refined Petroleum & Coal Products	1,952	2,075	2,046	1,994	2,059	2,100	2,119
Chemical & Chemical Products	7,569	7,581	6,902	7,213	7,526	7,883	8,092
Other Manufacturing	3,002	2,969	2,959	2,850	2,863	3,152	3,183

Note: 1. Gross Domestic Product on an industry basis is at factor cost, whereas GDP on an expenditure basis is at market prices.

Sources: Statistics Canada.

Table 18 **Canada, Growth in Real Gross Domestic Product in Selected Manufacturing Industries[1], 1989-95**

	1989	1990	1991	1992	1993	1994	1995
	(millions of dollars)						
Manufacturing	**0.9**	**-3.7**	**-7.1**	**1.3**	**4.8**	**7.6**	**3.8**
Food	-3.2	1.8	2.3	1.5	0.4	3.5	0.5
Beverage	1.2	-4.2	-9.8	10.7	4.1	1.7	0.3
Rubber Products	-3.2	-2.5	-10.1	24.9	15.6	8.0	2.2
Plastics Products	3.1	-4.5	-5.0	4.0	7.8	10.6	-0.5
Leather & Allied Products	-3.2	-13.1	-21.1	-2.3	2.4	4.8	-1.6
Primary Textile & Textile Products	-2.9	-9.3	-6.4	-3.5	1.8	9.0	0.4
Clothing	-1.2	-4.8	-9.4	-4.4	0.5	2.1	1.0
Wood	-1.9	-8.2	-10.5	7.9	6.0	4.1	-1.6
Furniture & Fixture	-1.1	-6.2	-17.5	-0.1	4.1	12.8	9.2
Paper & Allied Products	-3.8	-3.3	-4.2	0.4	3.2	4.6	0.8
Printing & Publishing	2.7	-1.6	-10.6	-6.7	-4.0	-0.8	-5.4
Primary Metals	-2.9	-7.0	0.3	3.1	11.0	1.7	1.3
Fabricated Metal Product	3.6	-5.9	-12.0	-5.4	1.1	12.3	3.1
Machinery	1.0	-7.6	-19.4	-6.6	13.0	12.9	9.7
Transportation Equipment	5.6	-6.0	-10.0	2.0	11.4	10.3	5.0
Electrical & Electronic	6.1	0.2	-2.3	6.3	3.1	23.1	20.0
Non-metallic Mineral Products	-2.3	-10.3	-16.7	-1.0	3.1	3.2	-1.4
Refined Petroleum & Coal Products	4.4	6.3	-1.4	-2.5	3.3	2.0	0.9
Chemical & Chemical Products	3.7	0.2	-9.0	4.5	4.3	4.8	2.6
Other Manufacturing	-1.7	-1.1	-0.3	-3.7	0.5	10.1	1.0

Note: 1. Gross Domestic Product on an industry basis is at factor cost, whereas GDP on an expenditure basis is at market prices.

Sources: Statistics Canada.

Table 19 — Ontario and the G-7, Real GDP Growth, 1982-1995

(per cent)

	1982	1983	1984	1985	1986	1987	1988
Ontario	-3.3	6.8	8.7	4.1	5.1	4.5	5.9
Canada	-3.2	3.2	6.3	4.8	3.3	4.2	5.0
France	2.5	0.7	1.3	1.9	2.5	2.3	4.5
Germany	-0.9	1.8	2.8	2.0	2.3	1.5	3.7
Italy	0.2	1.0	2.7	2.6	2.9	3.1	4.1
Japan	3.1	2.3	3.9	4.4	2.9	4.2	6.2
United Kingdom	1.7	3.7	2.3	3.8	4.3	4.8	5.0
United States	-2.1	4.0	6.8	3.7	3.0	2.9	3.8

Table 19 (continued)

(per cent)

	1989	1990	1991	1992	1993	1994	1995
Ontario	3.3	-2.4	-3.2	1.0	1.2	4.7	3.2
Canada	2.4	-0.2	-1.8	0.8	2.2	4.1	2.3
France	4.3	2.5	0.8	1.2	-1.3	2.8	2.2
Germany	3.6	5.7	N/A	2.2	-1.2	2.9	1.9
Italy	2.9	2.1	1.2	0.7	-1.2	2.2	3.0
Japan	4.8	5.1	4.0	1.1	0.1	0.5	0.9
United Kingdom	2.2	0.4	-2.0	-0.5	2.3	3.8	2.4
United States	3.4	1.3	-1.0	2.7	2.2	3.5	2.0

Sources: OECD, Statistics Canada and Ontario Ministry of Finance.

Table 20 Ontario and the G-7, Employment Growth, 1982-1995

(per cent)

	1982	1983	1984	1985	1986	1987	1988
Ontario	-2.2	0.8	3.9	3.7	3.6	3.8	3.7
Canada	-3.2	0.6	2.7	3.0	3.0	2.7	3.2
France	0.4	-0.2	-0.9	-0.1	0.5	0.4	1.0
Germany	-1.2	-1.4	0.2	0.7	1.4	0.7	0.8
Italy	-0.4	0.1	0.3	0.3	0.4	-0.3	0.5
Japan	1.0	1.7	0.6	0.7	0.8	1.0	1.7
United Kingdom	-1.9	-0.2	2.3	1.0	0.3	2.4	3.5
United States	-0.9	1.3	4.1	2.0	2.3	2.6	2.3

Table 20 (continued)

(per cent)

	1989	1990	1991	1992	1993	1994	1995
Ontario	2.0	-0.3	-3.5	-0.9	1.8	1.4	1.4
Canada	2.1	0.6	-1.9	-0.6	1.3	2.1	1.6
France	1.4	1.0	0.0	-0.6	-1.4	0.3	1.1
Germany	1.5	3.0	N/A	-1.8	-1.8	-0.7	-0.2
Italy	-0.1	1.2	0.7	-0.9	-2.5	1.7	-0.6
Japan	2.0	2.0	1.9	1.1	0.2	0.1	0.1
United Kingdom	2.7	0.4	-3.1	-2.4	-0.8	0.7	0.6
United States	2.0	1.3	-0.9	0.7	1.5	2.3	1.6

Sources: OECD and Statistics Canada.

Table 21 **Ontario and the G-7, Unemployment Rates, 1982-1995**

(per cent)

	1982	1983	1984	1985	1986	1987	1988
Ontario	9.7	10.4	9.0	8.1	7.0	6.1	5.0
Canada	11.0	11.9	11.3	10.5	9.6	8.9	7.8
France	8.0	8.3	9.7	10.2	10.4	10.5	10.0
Germany	6.4	7.9	7.9	8.0	7.7	7.6	7.6
Italy	6.9	7.7	8.5	8.6	9.9	10.2	10.5
Japan	2.3	2.7	2.7	2.6	2.8	2.9	2.5
United Kingdom	9.7	10.5	10.7	11.0	11.0	9.8	7.8
United States	9.7	9.6	7.5	7.2	7.0	6.2	5.5

Table 21 (continued)

(per cent)

	1989	1990	1991	1992	1993	1994	1995
Ontario	5.1	6.3	9.6	10.9	10.6	9.6	8.7
Canada	7.5	8.1	10.4	11.3	11.2	10.4	9.5
France	9.4	8.9	9.4	10.3	11.7	12.3	11.6
Germany	6.9	6.2	6.7	7.7	8.9	9.6	9.4
Italy	10.2	9.1	8.6	8.8	10.2	11.3	12.0
Japan	2.3	2.1	2.1	2.2	2.5	2.9	3.1
United Kingdom	6.0	5.8	8.2	9.9	10.2	9.2	8.2
United States	5.3	5.6	6.8	7.5	6.9	6.1	5.6

Sources: OECD and Statistics Canada.

Table 22 **Ontario and the G-7, CPI Inflation Rates, 1982-1995**

(per cent)

	1982	1983	1984	1985	1986	1987	1988
Ontario	10.7	6.2	4.9	4.1	4.4	5.1	4.7
Canada	10.9	5.7	4.4	3.9	4.2	4.4	4.0
France	11.8	9.6	7.4	5.8	2.7	3.1	2.7
Germany	5.3	3.3	2.4	2.2	-0.1	0.2	1.3
Italy	16.4	14.9	10.6	8.6	6.1	4.6	5.0
Japan	2.7	1.9	2.2	2.0	0.6	0.1	0.7
United Kingdom	8.6	4.6	5.0	6.1	3.4	4.2	4.9
United States	6.1	3.2	4.3	3.5	1.9	3.7	4.1

Table 22 (continued) (per cent)

	1989	1990	1991	1992	1993	1994	1995
Ontario	5.8	4.8	4.6	1.1	1.7	0.1	2.4
Canada	5.0	4.8	5.6	1.5	1.8	0.2	2.1
France	3.6	3.4	3.2	2.4	2.1	1.7	1.7
Germany	2.8	2.7	3.5	4.0	4.1	2.7	1.9
Italy	6.6	6.1	6.5	5.3	4.2	3.9	5.4
Japan	2.3	3.1	3.3	1.7	1.3	0.8	-0.1
United Kingdom	7.8	9.5	5.9	3.7	1.6	2.5	3.4
United States	4.8	5.4	4.2	3.0	3.0	2.5	2.8

Sources: OECD and Statistics Canada.

Table 23 — **Ontario, International Merchandise Exports by Major Commodity, 1995**

	Value ($ millions)	Per cent of total
Motor Vehicles, Parts and Accessories	53,569	40.2
Machinery and Mechanical Appliances	18,734	14.1
Electrical Machinery and Equipment	6,696	5.0
Non-Ferrous Metals and Allied Products	5,795	4.4
Pulp; Paper and Allied Products	5,749	4.3
Plastics and Plastic Articles	3,362	2.5
Precious Metals, Stones and Coins	3,055	2.3
Furniture and Fixtures, Signs, Prefabricated Buildings	2,780	2.1
Iron and Steel	2,635	2.0
Prepared Foodstuffs, Beverages and Tobacco	2,498	1.9
Articles of Iron and Steel	2,278	1.7
Wood and Wood Products	2,142	1.6
Other Chemical Products	2,054	1.5
Scientific, Professional and Photo Equipment, Clocks	1,776	1.3
Rubber and Rubber Articles	1,486	1.1
Mineral Products	1,401	1.1
Aircraft, Spacecraft and Parts	1,234	0.9
Inorganic Chemicals; Chemical Elements & Compound	1,224	0.9
Articles of Stone, Cement, Ceramic and Glass	1,219	0.9
Vegetable Products; Fats and Oils	1,154	0.9
Railway, Rolling Stock and Parts	1,153	0.9
Organic Chemicals	1,037	0.8
Textiles and Textile Articles	1,033	0.8
Live Animals; Animal Products	943	0.7
Pharmaceutical Products	445	0.3
Printed Matter	410	0.3
Toys, Games and Sports Equipment	352	0.3
Apparel and Clothing Accessories	327	0.2
Hides, Leather, Travel Goods and Furs	299	0.2
Other Commodities	6,289	4.7
Total Exports	**133,133**	**100.0**

Notes: 1. Ontario Ministry of Economic Development, Trade and Tourism definition of product groupings based on two-digit Harmonized System Codes. Data are customs based.

2. Other Commodities includes re-exports and special transactions.

Sources: Statistics Canada and Ontario Ministry of Economic Development, Trade and Tourism.

Table 24

Ontario, International Merchandise Imports by Major Commodity, 1995

	Value ($ millions)	Per cent of total
Motor Vehicles, Parts and Accessories	31,522	21.9
Machinery and Mechanical Appliances	29,363	20.4
Electrical Machinery and Equipment	19,255	13.4
Non-Ferrous Metals and Allied Products	5,403	3.8
Scientific, Professional and Photo Equipment, Clocks	5,282	3.7
Plastics and Plastic Articles	4,923	3.4
Other Chemical Products	4,757	3.3
Prepared Foodstuffs, Beverages and Tobacco	3,080	2.1
Pulp; Paper and Allied Products	3,034	2.1
Iron and Steel	2,732	1.9
Vegetable Products; Fats and Oils	2,690	1.9
Articles of Iron and Steel	2,678	1.9
Furniture and Fixtures, Signs, Prefabricated Buildings	2,250	1.6
Organic Chemicals	2,198	1.5
Rubber and Rubber Articles	2,187	1.5
Printed Matter	2,100	1.5
Articles of Stone, Cement, Ceramic and Glass	1,990	1.4
Textiles and Textile Articles	1,962	1.4
Mineral Products	1,873	1.3
Pharmaceutical Products	1,397	1.0
Apparel and Clothing Accessories	1,354	0.9
Precious Metals, Stones and Coins	1,307	0.9
Toys, Games and Sports Equipment	1,235	0.9
Live Animals; Animal Products	1,163	0.8
Aircraft, Spacecraft and Parts	804	0.6
Wood and Wood Products	753	0.5
Inorganic Chemicals; Chemical Elements & Compound	717	0.5
Footwear	596	0.4
Railway, Rolling Stock and Parts	556	0.4
Other Commodities	4,823	3.3
Total Imports	**143,984**	**100.0**

Notes: 1. Ontario Ministry of Economic Development, Trade and Tourism definition of product groupings based on two-digit Harmonized System Codes. Data are customs based.

2. Other Commodities includes trans-shipments from one province to another through a foreign jurisdiction and special transactions.

Sources: Statistics Canada and Ontario Ministry of Economic Development, Trade and Tourism.

Table 25	Ontario, International Merchandise Trade by Major Region, 1995			
	Exports ($ millions)	Per cent of total	Imports ($ millions)	Per cent of total
United States	118,373	88.9	108,129	75.1
Western Europe	5,792	4.4	10,126	7.0
European Union	4,792	3.6	9,487	6.6
Other Western Europe	999	0.8	638	0.4
Eastern Europe	344	0.3	411	0.3
Asia	5,354	4.0	16,731	11.6
Pacific Rim	5,162	3.9	16,382	11.4
Other Asia	192	0.1	349	0.2
Caribbean	338	0.3	132	0.1
Latin America	1,830	1.4	6,014	4.2
Mexico	566	0.4	4,678	3.2
Middle East	714	0.5	255	0.2
Africa	364	0.3	345	0.2
Statistical Discrepency	25	0.0	1,841	1.3
Total	**133,133**	**100.0**	**143,984**	**100.0**

Note: Figures may not add to totals due to rounding. Data are customs based, and include re-exports.

Sources: Statistics Canada and Ontario Ministry of Economic Development, Trade and Tourism.

Table 26 **Canada, International Merchandise Trade by Major Region, 1995**

	Exports ($ millions)	Per cent of total	Imports ($ millions)	Per cent of total
United States	209,888	79.4	150,873	66.8
Western Europe	17,913	6.8	25,894	11.5
European Union	16,567	6.3	22,570	10.0
Other Western Europe	1,346	0.5	3,324	1.5
Eastern Europe	641	0.2	994	0.4
Asia	26,548	10.0	31,686	14.0
Pacific Rim	25,814	9.8	30,659	13.6
Other Asia	734	0.3	1,027	0.5
Caribbean	778	0.3	726	0.3
Latin America	4,745	1.8	8,731	3.9
Mexico	1,142	0.4	5,351	2.4
Middle East	1,926	0.7	1,058	0.5
Africa	1,695	0.6	1,780	0.8
Statistical Discrepency	73	0.0	3,952	1.8
Total	**264,207**	**100.0**	**225,696**	**100.0**

Note: Figures may not add to totals due to rounding. Data are customs based.

Sources: Statistics Canada and Ontario Ministry of Economic Development, Trade and Tourism.

Table 27 — Ontario Housing Market Indicators, 1989-1995

	1989	1990	1991	1992	1993	1994	1995
Residential Construction							
Current $ millions*	23,335	18,013	15,687	15,781	14,668	15,473	13,764
	16.6	-22.8	-12.9	0.6	-7.1	5.5	-11.1
New Construction*	13,034	10,062	7,603	8,014	6,691	7,182	5,639
	20.5	-22.8	-24.4	5.4	-16.5	7.3	-21.5
Alterations and Improvements*	6,307	5,351	4,952	4,752	5,326	5,429	5,652
	15.5	-15.2	-7.5	-4.0	12.1	1.9	4.1
Transfer Costs*	3,994	2,600	3,132	3,015	2,651	2,862	2,463
	7.1	-34.9	20.5	-3.7	-12.1	8.0	-13.9
Housing Starts (000's)*	93.3	62.6	52.8	55.8	45.1	46.6	35.8
	-6.6	-32.9	-15.7	5.6	-19.1	3.3	-23.2
Home Resales (000's)*	121.7	88.4	105.7	115.3	107.6	116	105.8
	-8.9	-27.4	19.6	9.0	-6.7	7.8	-8.8
Average Resale Home Price ($)*	179,074	171,919	171,089	161,364	156,402	160,033	154,536
	13.6	-4.0	-0.5	-5.7	-3.1	2.3	-3.4
Mortgage Rates (%)							
5-Year	12.1	13.2	11.2	9.5	8.7	9.3	9.2
1-Year	12.9	13.4	10.1	7.9	6.9	7.8	8.4

* Per cent change is shown on second line.

Sources: Statistics Canada, Canada Mortgage and Housing Corporation, Canadian Real Estate Association, Bank of Canada.

Table 28 — Canada, Selected Financial Indicators, 1982-1995

(per cent)

	1982	1983	1984	1985	1986	1987	1988
Interest Rates							
Bank Rate	14.0	9.6	11.3	9.6	9.2	8.4	9.7
Prime Rate	15.8	11.2	12.1	10.6	10.5	9.5	10.8
10-Year Government Bonds	14.3	11.8	12.8	11.0	9.5	9.9	10.2
Three-Month T-Bills	13.7	9.3	11.1	9.4	9.0	8.1	9.5
Mortgage Rates							
5-Year Rate	17.9	13.3	13.6	12.2	11.2	11.1	11.6
1-Year Rate	16.9	11.0	12.0	10.3	10.2	9.9	10.8
Household Debt Burden *							
Consumer	17.9	17.1	16.7	17.3	18.5	19.3	20.2
Mortgage	37.2	36.9	36.7	36.7	39.3	43.0	46.0
Total	55.1	54.1	53.5	54.0	57.7	62.3	66.2

Table 28 (continued)

(per cent)

	1989	1990	1991	1992	1993	1994	1995
Interest Rates							
Bank Rate	12.3	13.0	9.0	6.8	5.1	5.8	7.3
Prime Rate	13.3	14.1	9.9	7.5	5.9	6.9	8.6
10-Year Government Bonds	9.9	10.9	9.8	8.8	7.8	8.6	8.4
Three-Month T-Bills	12.1	12.8	8.7	6.6	4.8	5.5	7.0
Mortgage Rates							
5-Year Rate	12.1	13.2	11.2	9.5	8.7	9.3	9.2
1-Year Rate	12.9	13.4	10.1	7.9	6.9	7.8	8.4
Household Debt Burden *							
Consumer	20.6	21.5	21.3	20.7	20.8	22.1	23.1
Mortgage	48.4	52.9	55.5	58.9	62.3	65.4	66.0
Total	69.0	74.4	76.8	79.6	83.0	87.5	89.1

* Debt as a share of personal disposable income.

Note: All data are annual averages.

Sources: Statistics Canada and Bank of Canada.

Table 29 — G-7, Exchange Rates, 1982-1995

(Foreign currency per Canadian dollar)

	1982	1983	1984	1985	1986	1987	1988
France	5.291	6.173	6.711	6.536	4.975	4.525	4.831
Germany	1.965	2.07	2.193	2.137	1.555	1.353	1.422
Italy	1098.9	1234.6	1351.4	1388.9	1063.8	980.4	1052.6
Japan	201.2	192.7	183.2	173.3	120.5	108.8	104.1
United Kingdom	0.463	0.535	0.579	0.565	0.491	0.46	0.456
United States	0.81	0.812	0.772	0.732	0.72	0.754	0.812

Table 29 (continued)

(Foreign currency per Canadian dollar)

	1989	1990	1991	1992	1993	1994	1995
France	5.376	4.651	4.902	4.367	4.386	4.050	3.631
Germany	1.585	1.381	1.441	1.289	1.28	1.184	1.043
Italy	1162.8	1020.4	1075.3	1020.4	1219.5	1176.5	1186.2
Japan	116.3	123.5	117.2	104.7	85.8	74.7	68.0
United Kingdom	0.515	0.48	0.493	0.469	0.516	0.478	0.461
United States	0.845	0.857	0.873	0.827	0.775	0.732	0.729

Note: All data are annual averages.

Source: Bank of Canada.

Table 30 — Ontario, Selected Demographic Characteristics, 1976-2016

	Estimates			Projections	
	1976	1986	1996	2006	2016
Total Population (000s)	8,432	9,477	11,252	13,006	14,486
Annual Average Growth					
Over Preceding Decade (%)	1.7	1.2	1.7	1.5	1.1
Median Age (Years)	28.5	31.9	35.0	38.3	40.7
Age Group Shares (%)					
0-14	24.8	20.2	20.1	18.4	16.5
15-24	19.2	17.2	13.1	12.9	12.4
25-44	27.6	32.1	33.4	29.9	26.9
45-64	19.5	19.8	21.2	25.7	28.1
65-74	5.5	6.5	7.2	6.8	9.1
75+	3.4	4.2	5.0	6.3	7.0
Total Fertility Rate*	1.8	1.6	1.7	1.7	1.7
Life Expectancy (Years)*					
Male	70.6	73.5	75.9	77.5	78.8
Female	77.7	79.7	81.5	83.0	84.4
Families (000s)*	2,147	2,547	3,069	3,628	4,227
Households (000s)*	2,688	3,355	4,103	4,916	5,774

* 1996 data are projections.

Note: Population, families and households figures reflect adjustments for net Census undercoverage, non-permanent residents and returning Canadians.

Sources: Statistics Canada and Ontario Ministry of Finance.

Table 31 — **Ontario, Components of Population Growth, 1984/85-1995/96[1]**

	(thousands)					
	1984-85	**1985-86**	**1986-87**	**1987-88**	**1988-89**	**1989-90**
Population at Beginning of Period	**9,206.2**	**9,334.4**	**9,477.2**	**9,684.9**	**9,884.4**	**10,151.0**
Births	131.9	133.5	134.9	135.7	140.8	150.1
Deaths	66.4	67.1	67.4	70.2	69.7	71.3
Immigrants	40.3	43.1	70.2	85.2	98.3	108.6
Emigrants	24.7	22.5	21.0	17.9	17.5	16.7
Interprovincial Arrivals	87.1	89.7	104.6	99.2	89.0	84.1
Interprovincial Departures	53.1	57.0	58.5	68.7	80.7	94.3
Net Non-Permanent Residents	(0.1)	10.4	32.3	24.9	95.4	20.0
Population Growth During Period	128.2	142.8	207.7	199.5	266.6	190.4
Population at End of Period[2]	**9,334.4**	**9,477.2**	**9,684.9**	**9,884.4**	**10,151.0**	**10,341.4**
Population Growth (%)	1.4	1.5	2.2	2.1	2.7	1.9

Table 31 (continued)

	(thousands)					
	1990-91	**1991-92**	**1992-93**	**1993-94**	**1994-95**	**1995-96**
Population at Beginning of Period	**10,341.4**	**10,471.5**	**10,646.4**	**10,815.4**	**10,937.1**	**11,097.5**
Births	150.6	152.1	148.7	147.1	147.1	146.3
Deaths	71.5	73.6	74.6	77.3	78.2	82.1
Immigrants	113.9	128.3	145.0	119.6	117.6	111.6
Emigrants	18.6	19.5	18.6	19.0	19.5	20.0
Interprovincial Arrivals	73.8	70.2	65.3	64.3	68.6	84.4
Interprovincial Departures	84.7	81.7	77.7	74.5	70.3	90.0
Net Non-Permanent Residents	(43.8)	(10.7)	(28.6)	(48.2)	(14.5)	(5.0)
Population Growth During Period	130.0	174.9	169.0	121.7	160.4	155.0
Population at End of Period[2]	**10,471.5**	**10,646.4**	**10,815.4**	**10,937.1**	**11,097.5**	**11,252.4**
Population Growth (%)	1.3	1.7	1.6	1.1	1.5	1.4

Notes: 1. Data are from July 1 to June 30 (Census year).
2. The sum of the components may not equal the total change in population due to residual errors in estimation and the exclusion of returning Canadians.

Source: Statistics Canada.

Table 32 — **Ontario, Labour Force, 1982-1995**

	1982	1983	1984	1985	1986	1987	1988
Labour Force (000s)	4,701	4,775	4,886	5,012	5,133	5,272	5,408
Annual Labour Force Growth (%)	1.3	1.6	2.3	2.6	2.4	2.7	2.6
Participation Rate (%)							
Male	79.6	78.9	78.9	79.1	79.4	79.4	79.1
Female	56.7	57.1	57.8	58.6	59.1	60.2	61.4
Share of Labour Force (%)							
Youth (15-24)	24.9	24.4	24.0	23.4	23.0	22.3	21.2
Older Worker (45+)	27.5	27.0	26.6	26.8	25.9	26.1	26.2

Table 32 (continued)	1989	1990	1991	1992	1993	1994	1995
Labour Force (000s)	5,521	5,577	5,582	5,610	5,692	5,707	5,732
Annual Labour Force Growth (%)	2.1	1.0	0.1	0.5	1.5	0.3	0.4
Participation Rate (%)							
Male	79.3	78.2	76.5	75.5	75.0	73.9	73.1
Female	61.7	61.8	61.2	60.2	60.0	59.3	58.7
Share of Labour Force (%)							
Youth (15-24)	20.4	19.4	18.5	17.9	17.0	16.4	16.1
Older Worker (45+)	26.1	26.4	26.5	27.5	28.1	28.8	28.9

Sources: Statistics Canada and Ontario Ministry of Finance.

Table 33 — **Ontario, Employment, 1982-1995**

	1982	1983	1984	1985	1986	1987	1988
Total Employment (000s)	4,244	4,278	4,444	4,608	4,772	4,951	5,136
Male	2,436	2,438	2,531	2,613	2,703	2,789	2,857
Female	1,808	1,841	1,912	1,995	2,069	2,162	2,279
Annual Employment Growth (%)	-2.2	0.8	3.9	3.7	3.5	3.8	3.7
Net Job Creation (000s)	-94	34	166	164	164	179	185
Manufacturing Employment							
(% of total)	23.5	22.9	23.4	23.0	22.5	22.1	21.2
Services Employment							
(% of total)	66.2	66.7	66.3	66.7	67.0	67.3	68.3
Part-Time (% of total)	16.5	17.0	16.8	16.8	16.5	16.3	16.6
Average Hours Worked							
Per Week	37.1	37.4	37.6	37.7	37.7	37.8	38.3

Table 33 (continued)	1989	1990	1991	1992	1993	1994	1995
Total Employment (000s)	5,241	5,226	5,044	5,001	5,089	5,160	5,231
Male	2,905	2,866	2,736	2,700	2,759	2,800	2,844
Female	2,336	2,360	2,307	2,300	2,330	2,360	2,388
Annual Employment Growth (%)	2.0	-0.3	-3.5	-0.9	1.8	1.4	1.4
Net Job Creation (000s)	105	-15	-182	-43	88	71	71
Manufacturing Employment							
(% of total)	20.8	19.6	18.6	17.8	17.4	17.5	18.6
Services Employment							
(% of total)	67.9	69.4	71.0	72.2	73.0	72.9	72.3
Part-time (% of total)	16.6	17.1	18.3	18.5	19.4	18.8	18.5
Average Hours Worked							
Per Week	38.6	38.2	37.3	36.7	37.3	37.7	37.3

Sources: Statistics Canada and Ontario Ministry of Finance.

Table 34 — **Ontario, Unemployment, 1982-1995**

	1982	1983	1984	1985	1986	1987	1988
Total Unemployment (000s)	458	497	442	404	361	321	272
Unemployment Rate (%)	9.7	10.4	9.0	8.1	7.0	6.1	5.0
Male	9.8	10.5	8.7	7.7	6.7	5.5	4.6
Female	9.7	10.3	9.5	8.5	7.5	6.9	5.6
Toronto CMA	N/A	N/A	N/A	N/A	N/A	4.5	3.7
Northern Ontario	N/A	N/A	N/A	N/A	N/A	9.7	7.9
Youth (15-24)	16.9	17.7	14.8	13.0	11.5	9.7	8.1
Older Worker (45+)	6.2	6.6	6.1	5.5	4.7	4.4	3.5
Unemployment (% of total)							
Long-Term (27 weeks+)	16.3	25.6	22.5	19.6	18.0	16.7	12.7
Youth (15-24) Share	43.2	41.5	39.3	37.8	37.5	35.4	34.3
Older Worker (45+) Share	17.4	17.2	17.9	18.2	17.1	18.9	18.0
Average Duration (weeks)							
Youth (15-24)	13.5	17.1	14.2	12.5	12.5	10.9	8.7
Older Worker (45+)	18.5	25.4	25.3	23.6	23.6	22.2	19.9

Table 34 (continued)	1989	1990	1991	1992	1993	1994	1995
Total Unemployment (000s)	281	351	538	609	604	547	501
Unemployment Rate (%)	5.1	6.3	9.6	10.9	10.6	9.6	8.7
Male	4.8	6.3	10.2	11.9	11.2	9.9	8.8
Female	5.5	6.3	9.0	9.6	9.9	9.2	8.7
Toronto CMA	4.0	5.3	9.7	11.4	11	10.3	8.5
Northern Ontario	7.5	8.2	11.4	12.7	12.1	11.6	9.9
Youth (15-24)	7.9	10.4	15.3	18.1	17.9	16.4	15.4
Older Worker (45+)	3.3	4.0	6.8	7.5	7.3	6.9	6.4
Unemployment (% of total)							
Long-Term (27 weeks+)	13.1	13.7	22.6	29.8	33.4	32.4	29.3
Youth (15-24) Share	31.8	32.1	29.5	29.9	28.7	28.0	28.4
Older Worker (45+) Share	17.1	16.8	18.8	19.0	19.3	20.8	21.1
Average Duration (weeks)							
Youth (15-24)	8.5	10.2	13.6	16.8	18.6	18.2	16.6
Older Worker (45+)	19.2	18.9	22.8	29.7	33.8	34.9	33.3

Sources: Statistics Canada and Ontario Ministry of Finance.

Table 35 Ontario, Employment Insurance and Social Assistance, 1982-1995

	1982	1983	1984	1985	1986	1987	1988
EI Regular Beneficiaries (000s)	281	310	265	247	221	190	172
Maximum Weekly Insurable Earnings ($)	350	385	425	460	495	530	565
Maximum Weekly Entitlement ($)	210	231	255	276	297	318	339
Premium Rate							
Employer ($/$100 Insurable Earnings)	2.31	3.22	3.22	3.29	3.29	3.29	3.29
Employee ($/$100 Insurable Earnings)	1.65	2.30	2.30	2.35	2.35	2.35	2.35
Total Benefits Paid to Ontario ($ millions)	2,381	2,859	2,517	2,551	2,483	2,387	2,370
Premiums Paid from Ontario ($ millions)	1,854	2,752	3,047	3,532	3,956	4,253	4,969
Social Assistance Caseload (000s)	218	247	257	261	268	279	289

Table 35 (continued)

	1989	1990	1991	1992	1993	1994	1995
EI Regular Beneficiaries (000s)	167	225	319	322	294	228	181
Maximum Weekly Insurable Earnings ($)	605	640	680	710	745	780	815
Maximum Weekly Entitlement ($)	363	384	408	426	425	429	448
Premium Rate							
Employer ($/$100 Insurable Earnings)	2.73	3.15	3.92	4.20	4.20	4.30	4.20
Employee ($/$100 Insurable Earnings)	1.95	2.25	2.80	3.00	3.00	3.07	3.00
Total Benefits Paid to Ontario ($ millions)	2,470	3,419	5,362	5,845	5,406	4,511	3,796
Premiums Paid from Ontario ($ millions)	4,369	5,346	6,081	7,263	7,501	7,849	7,778
Social Assistance Caseload (000s)	307	366	499	608	660	673	660

Sources: Statistics Canada, Ontario Ministry of Finance and Ontario Ministry of Community and Social Services.

Table 36 Ontario, Major Layoffs and Strikes & Lockouts, 1982-1995

	1982	1983	1984	1985	1986	1987	1988
Major Layoffs (no. of establishments)*	235	120	122	116	92	92	97
Workers Affected by Major Layoffs	46,047	17,213	14,824	13,902	13,503	13,925	13,266
Share of Workers Laid-Off Due to Closures (%)	24.2	38.5	53.1	55.5	60.2	72.6	69.8
Person Days Lost Due to Strikes and Lockouts (000s)	2,207	760	1,414	1,232	941	1,109	1,362

Table 36 (continued)

	1989	1990	1991	1992	1993	1994	1995
Major Layoffs (no. of establishments)*	139	202	221	209	130	99	128
Workers Affected by Major Layoffs	17,526	31,787	25,957	27,529	15,798	11,155	13,937
Share of Workers Laid-Off Due to Closures (%)	72.4	64.7	61.3	66.6	70.3	70.7	67.0
Person Days Lost Due to Strikes and Lockouts (000s)	869	2,958	454	578	371	488	477

Notes: * Major Layoffs are those affecting at least 50 employees.

Sources: Statistics Canada and Ontario Ministry of Labour.

Table 37 — Ontario, Labour Compensation, 1982-1995

	1982	1983	1984	1985	1986	1987	1988
Average Weekly Earnings($)			395.72	414.47	433.35	453.80	477.70
Increase (%)			5.1	4.7	4.6	4.7	5.3
CPI Inflation (%)			4.9	4.1	4.4	5.1	4.7
AWE Increase Less CPI Inflation (%)			0.2	0.6	0.2	-0.4	0.6
AWE - Manufacturing ($)			481.88	508.03	524.76	548.57	574.71
Increase (%)			5.5	5.4	3.3	4.5	4.8
Increase Less CPI Inflation (%)			0.6	1.3	-1.1	-0.6	0.1
Collective Bargaining Settlements (% Increase)							
200+							
Public				4.8	4.6	4.6	4.7
Private				2.8	3.7	2.7	4.6
Minimum Wage at Year End ($/Hour)	3.50	3.50	4.00	4.00	4.35	4.55	4.75

Table 37 (continued)

	1989	1990	1991	1992	1993	1994	1995
Average Weekly Earnings($)	505.11	526.81	553.92	576.85	589.55	604.79	610.29
Increase (%)	5.7	4.3	5.1	4.1	2.2	2.6	0.9
CPI Inflation (%)	5.8	4.8	4.6	1.1	1.7	0.1	2.4
AWE Increase Less CPI Inflation (%)	-0.1	-0.5	0.5	3.0	0.5	2.5	-1.5
AWE - Manufacturing ($)	599.94	632.38	663.46	696.85	716.07	739.08	749.94
Increase (%)	4.4	5.4	4.9	5.0	2.8	3.2	1.5
Increase Less CPI Inflation (%)	-1.4	0.6	0.3	3.9	1.1	3.1	-0.9
Collective Bargaining Settlements (% Increase)							
200+							
Public	5.8	6.8	5.0	2.7	0.5	0.1	0.3
Private	5.1	6.3	4.6	2.8	2.0	0.8	1.7
Minimum Wage at Year End ($/Hour)	5.00	5.40	6.00	6.35	6.35	6.70	6.85

Note: Average Weekly Earnings includes overtime.

Sources: Statistics Canada, Ontario Ministry of Labour and Ontario Ministry of Finance.

Table 38 — Ontario, Employment by Occupation, 1982-1995

	1982	1983	1984	1985	1986	1987	1988
	(thousands)						
Managerial and other professional	1,077	1,115	1,229	1,326	1,355	1,452	1,554
Clerical	776	757	780	799	794	841	897
Sales	455	458	425	420	463	462	486
Service	566	587	578	613	620	622	633
Primary occupations	171	179	166	163	158	154	157
Processing, machining and fabricating	691	663	722	717	754	757	755
Construction trades	200	205	221	225	259	279	282
Transport equipment and operating	141	139	147	162	161	179	173
Material handling and other crafts	167	176	176	183	208	205	199
Total	**4,244**	**4,278**	**4,444**	**4,608**	**4,772**	**4,951**	**5,136**

Table 38 (continued)

	1989	1990	1991	1992	1993	1994	1995
	(thousands)						
Managerial and other professional	1,566	1,606	1,660	1,673	1,726	1,749	1,785
Clerical	904	902	849	831	805	782	781
Sales	486	511	479	490	503	521	513
Service	639	643	626	651	674	667	679
Primary occupations	158	152	146	145	155	149	143
Processing, machining and fabricating	791	739	674	632	642	661	706
Construction trades	315	312	257	239	245	250	248
Transport equipment and operating	186	182	174	167	170	186	184
Material handling and other crafts	196	178	178	173	170	195	192
Total	**5,241**	**5,226**	**5,044**	**5,001**	**5,089**	**5,160**	**5,231**

Source: Statistics Canada, Labour Force Survey.

Table 39 **Ontario, Distribution of Employment by Occupation, 1982-1995**

	(Per cent)						
	1982	1983	1984	1985	1986	1987	1988
Managerial and other professional	25.4	26.1	27.7	28.8	28.4	29.3	30.3
Clerical	18.3	17.7	17.6	17.3	16.6	17	17.5
Sales	10.7	10.7	9.6	9.1	9.7	9.3	9.5
Service	13.3	13.7	13	13.3	13	12.6	12.3
Primary occupations	4	4.2	3.7	3.5	3.3	3.1	3.1
Processing, machining and fabricating	16.3	15.5	16.2	15.6	15.8	15.3	14.7
Construction trades	4.7	4.8	5	4.9	5.4	5.6	5.5
Transport equipment and operating	3.3	3.2	3.3	3.5	3.4	3.6	3.4
Material handling and other crafts	3.9	4.1	4	4	4.4	4.1	3.9
Total	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**

Table 39 (continued)	1989	1990	1991	1992	1993	1994	1995
Managerial and other professional	29.9	30.7	32.9	33.5	33.9	33.9	34.1
Clerical	17.2	17.3	16.8	16.6	15.8	15.2	14.9
Sales	9.3	9.8	9.5	9.8	9.9	10.1	9.8
Service	12.2	12.3	12.4	13	13.2	12.9	13.0
Primary occupations	3	2.9	2.9	2.9	3	2.9	2.7
Processing, machining and fabricating	15.1	14.1	13.4	12.6	12.6	12.8	13.5
Construction trades	6	6	5.1	4.8	4.8	4.8	4.7
Transport equipment and operating	3.5	3.5	3.4	3.3	3.3	3.6	3.5
Material handling and other crafts	3.7	3.4	3.5	3.5	3.3	3.8	3.7
Total	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**

Source: Statistics Canada, Labour Force Survey.

Table 40 **Ontario, Employment by Industry, 1986-1995**

	(thousands)				
	1986	1987	1988	1989	1990
Goods Producing Industries	**1,576**	**1,617**	**1,630**	**1,683**	**1,596**
Primary Industries	181	179	175	177	169
Agriculture	127	119	113	120	113
Manufacturing	1,076	1,093	1,088	1,089	1,022
Construction	266	290	309	350	346
Utilities	53	54	58	66	60
Services Producing Industries	**3,195**	**3,334**	**3,506**	**3,558**	**3,629**
Transportation, Storage and Communication	283	278	286	321	307
Transportation & Storage	171	166	166	185	180
Communication	112	112	120	136	127
Trade	824	849	902	871	900
Wholesale	218	219	244	215	235
Retail	606	630	659	655	665
Finance, Insurance and Real Estate	291	324	345	338	361
Community, Business and Personal Services	1,503	1,582	1,658	1,707	1,736
Education	294	308	328	328	333
Health & Social Services	374	399	422	428	433
Business Services	243	275	297	322	334
Accommodation, Food & Beverage Services	266	284	283	296	301
Amusement & Recreation	65	61	63	66	61
Personal & Household Services	125	113	129	113	109
Other Services	136	142	135	155	165
Public Administration	295	301	315	321	325
Federal	118	119	131	127	123
Provincial	72	83	75	87	85
Local	104	98	108	108	116
Total Employment	**4,772**	**4,951**	**5,136**	**5,241**	**5,226**

Table 40 (continued) **Ontario, Employment by Industry, 1986-1995**

	(thousands)				
	1991	1992	1993	1994	1995
Goods Producing Industries	**1,463**	**1,388**	**1,372**	**1,399**	**1,450**
Primary Industries	165	162	161	155	156
Agriculture	114	118	125	118	109
Manufacturing	939	889	886	901	972
Construction	294	270	267	284	264
Utilities	65	68	58	59	59
Services Producing Industries	**3,581**	**3,613**	**3,716**	**3,761**	**3,781**
Transportation, Storage and Communication	285	283	285	300	323
Transportation & Storage	178	172	167	177	185
Communication	107	111	118	123	137
Trade	861	852	862	883	865
Wholesale	211	223	215	236	229
Retail	650	629	647	647	635
Finance, Insurance and Real Estate	351	356	363	340	353
Community, Business and Personal Services	1,762	1,787	1,869	1,913	1,947
Education	344	357	360	376	356
Health & Social Services	468	474	495	491	494
Business Services	330	319	325	370	391
Accommodation, Food & Beverage Services	291	294	300	299	316
Amusement & Recreation	71	69	81	84	86
Personal & Household Services	105	116	130	123	127
Other Services	153	158	178	170	177
Public Administration	321	334	337	326	293
Federal	127	130	132	120	111
Provincial	86	93	83	91	76
Local	106	111	121	113	106
Total Employment	**5,044**	**5,001**	**5,089**	**5,160**	**5,231**

Source: Statistics Canada, Labour Force Survey.

Table 41 **Ontario, Growth in Employment by Industry, 1986-1995**

	(per cent change)				
	1986	1987	1988	1989	1990
Goods Producing Industries	**2.7**	**2.6**	**0.8**	**3.3**	**-5.2**
Primary Industries	0.0	-1.1	-2.2	1.1	-4.5
Agriculture	0.8	-6.3	-5.0	6.2	-5.8
Manufacturing	1.5	1.7	-0.5	0.1	-6.2
Construction	10.4	9.0	6.6	13.3	-1.1
Utilities	1.9	1.9	7.4	13.8	-9.1
Services Producing Industries	**3.9**	**4.4**	**5.2**	**1.5**	**2.0**
Transportation, Storage and Communication	4.4	-1.8	2.9	12.2	-4.4
Transportation & Storage	2.4	-2.9	0.0	11.4	-2.7
Communication	7.7	0.0	7.1	13.3	-6.6
Trade	3.0	3.0	6.2	-3.4	3.3
Wholesale	13.0	0.5	11.4	-11.9	9.3
Retail	-0.2	4.0	4.6	-0.6	1.5
Finance, Insurance and Real Estate	8.2	11.3	6.5	-2.0	6.8
Community, Business and Personal Services	5.0	5.2	4.8	3.0	1.7
Education	5.8	4.8	6.5	0.0	1.5
Health & Social Services	3.3	6.7	5.8	1.4	1.2
Business Services	6.1	13.2	8.0	8.4	3.7
Accommodation, Food & Beverage Services	6.4	6.8	-0.4	4.6	1.7
Amusement & Recreation	22.6	-6.2	3.3	4.8	-7.6
Personal & Household Services	-2.3	-9.6	14.2	-12.4	-3.5
Other Services	2.3	4.4	-4.9	14.8	6.5
Public Administration	-2.6	2.0	4.7	1.9	1.2
Federal	-2.5	0.8	10.1	-3.1	-3.1
Provincial	-4.0	15.3	-9.6	16.0	-2.3
Local	-1.9	-5.8	10.2	0.0	7.4
Total Employment	**3.6**	**3.8**	**3.7**	**2.0**	**-0.3**

Table 41 (continued) **Ontario, Growth in Employment by Industry, 1986-1995**

	(per cent change)				
	1991	1992	1993	1994	1995
Goods Producing Industries	**-8.3**	**-5.1**	**-1.2**	**2.0**	**3.6**
Primary Industries	-2.4	-1.8	-0.6	-3.7	0.6
Agriculture	0.9	3.5	5.9	-5.6	-7.6
Manufacturing	-8.1	-5.3	-0.3	1.7	7.9
Construction	-15.0	-8.2	-1.1	6.4	-7.0
Utilities	8.3	4.6	-14.7	1.7	0.0
Services Producing Industries	**-1.3**	**0.9**	**2.9**	**1.2**	**0.5**
Transportation, Storage and Communication	-7.2	-0.7	0.7	5.3	7.7
Transportation & Storage	-1.1	-3.4	-2.9	6.0	4.5
Communication	-15.7	3.7	6.3	4.2	11.4
Trade	-4.3	-1.0	1.2	2.4	-2.0
Wholesale	-10.2	5.7	-3.6	9.8	-3.0
Retail	-2.3	-3.2	2.9	0.0	-1.9
Finance, Insurance and Real Estate	-2.8	1.4	2.0	-6.3	3.8
Community, Business and Personal Services	1.5	1.4	4.6	2.4	1.8
Education	3.3	3.8	0.8	4.4	-5.3
Health & Social Services	8.1	1.3	4.4	-0.8	0.6
Business Services	-1.2	-3.3	1.9	13.8	5.7
Accommodation, Food & Beverage Services	-3.3	1.0	2.0	-0.3	5.7
Amusement & Recreation	16.4	-2.8	17.4	3.7	2.4
Personal & Household Services	-3.7	10.5	12.1	-5.4	3.3
Other Services	-7.3	3.3	12.7	-4.5	4.1
Public Administration	-1.2	4.0	0.9	-3.3	-10.1
Federal	3.3	2.4	1.5	-9.1	-7.5
Provincial	1.2	8.1	-10.8	9.6	-16.5
Local	-8.6	4.7	9.0	-6.6	-6.2
Total Employment	**-3.5**	**-0.9**	**1.8**	**1.4**	**1.4**

Source: Statistics Canada, Labour Force Survey.

Table 42 **Canada, Employment by Industry, 1986-1995**

	1986	1987	1988	1989	1990
	(thousands)				
Goods Producing Industries	**3,644**	**3,728**	**3,873**	**3,928**	**3,809**
Primary Industries	769	770	758	742	739
Agriculture	476	474	451	438	441
Manufacturing	2,098	2,127	2,214	2,235	2,105
Construction	652	708	765	809	824
Utilities	124	123	135	142	142
Services Producing Industries	**8,451**	**8,695**	**8,946**	**9,158**	**9,356**
Transportation, Storage and Communication	812	820	816	867	854
Transportation & Storage	522	520	518	540	536
Communication	290	300	298	327	318
Trade	2,176	2,205	2,272	2,293	2,356
Wholesale	589	574	595	594	618
Retail	1,587	1,631	1,677	1,699	1,738
Finance, Insurance and Real Estate	690	732	763	769	790
Community, Business and Personal Services	3,943	4,090	4,244	4,351	4,487
Education	799	818	844	836	863
Health & Social Services	1,041	1,096	1,133	1,161	1,202
Business Services	551	598	655	700	736
Accommodation, Food & Beverage Services	708	737	754	780	808
Amusement & Recreation	154	152	154	161	160
Personal & Household Services	336	315	339	324	312
Other Services	354	372	365	390	406
Public Administration	829	848	850	879	869
Federal	293	292	300	306	301
Provincial	274	292	275	294	281
Local	261	262	274	278	286
Total Employment	**12,095**	**12,422**	**12,819**	**13,086**	**13,165**

Table 42 (continued) **Canada, Employment by Industry, 1986-1995**

	(thousands)				
	1991	1992	1993	1994	1995
Goods Producing Industries	**3,582**	**3,457**	**3,448**	**3,545**	**3,653**
Primary Industries	752	704	710	702	727
Agriculture	457	437	450	425	431
Manufacturing	1,956	1,879	1,893	1,949	2,061
Construction	732	717	694	750	724
Utilities	142	156	150	144	142
Services Producing Industries	**9,334**	**9,385**	**9,567**	**9,746**	**9,852**
Transportation, Storage and Communication	819	815	811	834	890
Transportation & Storage	531	530	515	523	561
Communication	288	285	296	311	329
Trade	2,276	2,267	2,253	2,314	2,307
Wholesale	589	582	591	609	608
Retail	1,687	1,685	1,662	1,705	1,699
Finance, Insurance and Real Estate	794	804	810	788	809
Community, Business and Personal Services	4,572	4,621	4,790	4,932	5,036
Education	888	925	927	959	944
Health & Social Services	1,253	1,273	1,312	1,316	1,340
Business Services	748	715	744	823	867
Accommodation, Food & Beverage Services	808	806	819	838	861
Amusement & Recreation	168	176	184	206	212
Personal & Household Services	314	329	354	344	352
Other Services	394	397	449	447	460
Public Administration	873	879	903	877	810
Federal	313	308	315	296	283
Provincial	280	286	283	307	264
Local	279	284	302	271	260
Total Employment	**12,916**	**12,842**	**13,015**	**13,292**	**13,506**

Source: Statistics Canada, Labour Force Survey.

Table 43 **Canada, Growth in Employment by Industry, 1986-1995**

	(per cent change)				
	1986	1987	1988	1989	1990
Goods Producing Industries	**1.9**	**2.3**	**3.9**	**1.4**	**-3.0**
Primary Industries	-1.0	0.1	-1.6	-2.1	-0.4
Agriculture	-1.0	-0.4	-4.9	-2.9	0.7
Manufacturing	1.6	1.4	4.1	0.9	-5.8
Construction	7.2	8.6	8.1	5.8	1.9
Utilities	-2.4	-0.8	9.8	5.2	0.0
Services Producing Industries	**3.5**	**2.9**	**2.9**	**2.4**	**2.2**
Transportation, Storage and Communication	2.5	1.0	-0.5	6.3	-1.5
Transportation & Storage	1.2	-0.4	-0.4	4.2	-0.7
Communication	5.1	3.4	-0.7	9.7	-2.8
Trade	4.2	1.3	3.0	0.9	2.7
Wholesale	9.9	-2.5	3.7	-0.2	4.0
Retail	2.3	2.8	2.8	1.3	2.3
Finance, Insurance and Real Estate	4.5	6.1	4.2	0.8	2.7
Community, Business and Personal Services	3.9	3.8	3.8	2.5	3.1
Education	4.0	2.4	3.2	-0.9	3.2
Health & Social Services	2.9	5.3	3.4	2.5	3.5
Business Services	4.6	8.5	9.5	6.9	5.1
Accommodation, Food & Beverage Services	6.5	4.2	2.3	3.4	3.6
Amusement & Recreation	11.6	-1.3	1.3	4.5	-0.6
Personal & Household Services	0.3	-6.3	7.6	-4.4	-3.7
Other Services	0.6	5.1	-1.9	6.8	4.1
Public Administration	-0.1	2.3	0.2	3.4	-1.1
Federal	1.0	-0.3	2.7	2.0	-1.6
Provincial	0.0	6.6	-5.8	6.9	-4.4
Local	-0.8	0.4	4.6	1.5	2.9
Total Employment	**3.0**	**2.7**	**3.2**	**2.1**	**0.6**

Table 43 (continued) **Canada, Growth in Employment by Industry, 1986-1995**

	(per cent change)				
	1991	1992	1993	1994	1995
Goods Producing Industries	**-6.0**	**-3.5**	**-0.3**	**2.8**	**3.0**
Primary Industries	1.8	-6.4	0.9	-1.1	3.6
Agriculture	3.6	-4.4	3.0	-5.6	1.4
Manufacturing	-7.1	-3.9	0.7	3.0	5.7
Construction	-11.2	-2.0	-3.2	8.1	-3.5
Utilities	0.0	9.9	-3.8	-4.0	-1.4
Services Producing Industries	**-0.2**	**0.5**	**1.9**	**1.9**	**1.1**
Transportation, Storage and Communication	-4.1	-0.5	-0.5	2.8	6.7
Transportation & Storage	-0.9	-0.2	-2.8	1.6	7.3
Communication	-9.4	-1.0	3.9	5.1	5.8
Trade	-3.4	-0.4	-0.6	2.7	-0.3
Wholesale	-4.7	-1.2	1.5	3.0	-0.2
Retail	-2.9	-0.1	-1.4	2.6	-0.4
Finance, Insurance and Real Estate	0.5	1.3	0.7	-2.7	2.7
Community, Business and Personal Services	1.9	1.1	3.7	3.0	2.1
Education	2.9	4.2	0.2	3.5	-1.6
Health & Social Services	4.2	1.6	3.1	0.3	1.8
Business Services	1.6	-4.4	4.1	10.6	5.3
Accommodation, Food & Beverage Services	0.0	-0.2	1.6	2.3	2.7
Amusement & Recreation	5.0	4.8	4.5	12.0	2.9
Personal & Household Services	0.6	4.8	7.6	-2.8	2.3
Other Services	-3.0	0.8	13.1	-0.4	2.9
Public Administration	0.5	0.7	2.7	-2.9	-7.6
Federal	4.0	-1.6	2.3	-6.0	-4.4
Provincial	-0.4	2.1	-1.0	8.5	-14.0
Local	-2.4	1.8	6.3	-10.3	-4.1
Total Employment	**-1.9**	**-0.6**	**1.3**	**2.1**	**1.6**

Source: Statistics Canada, Labour Force Survey.

Table 44 Ontario, Employment by Labour Force Regions, 1987-1996

		(thousands)				
		1987	1988	1989	1990	1991
Ontario		**4,951**	**5,136**	**5,241**	**5,226**	**5,044**
Region:	**East**	**664**	**698**	**694**	**698**	**693**
	Ottawa (510)	487	518	514	521	517
	Kingston-Pembroke (515)	177	179	180	177	177
	Greater Toronto Area[1] (530)	**2,171**	**2,219**	**2,273**	**2,254**	**2,136**
	Central	**1,113**	**1,172**	**1,197**	**1,211**	**1,172**
	Muskoka-Kawarthas (520)	138	142	139	140	137
	Kitchener-Waterloo-Barrie (540)	406	436	456	453	451
	Hamilton-Niagara Peninsula (550)	570	594	602	618	584
	Southwest	**655**	**687**	**708**	**689**	**686**
	London (560)	262	270	281	281	283
	Windsor-Sarnia (570)	268	281	284	270	265
	Stratford-Bruce Peninsula (580)	125	136	143	138	138
	North	**348**	**361**	**367**	**373**	**356**
	Northeast (590)	240	248	257	260	246
	Northwest (595)	108	114	111	112	110

Table 44 (continued)

		(thousands)				
		1992	1993	1994	1995	1996*
Ontario		**5,001**	**5,089**	**5,160**	**5,231**	**5,305**
Region:	**East**	**691**	**701**	**724**	**697**	**707**
	Ottawa (510)	514	516	538	519	532
	Kingston-Pembroke (515)	177	185	186	179	175
	Greater Toronto Area[1] (530)	**2,118**	**2,153**	**2,145**	**2,227**	**2,246**
	Central	**1,164**	**1,171**	**1,210**	**1,228**	**1,253**
	Muskoka-Kawarthas (520)	143	142	144	156	159
	Kitchener-Waterloo-Barrie (540)	455	466	482	480	493
	Hamilton-Niagara Peninsula (550)	567	563	584	592	601
	Southwest	**685**	**708**	**724**	**702**	**723**
	London (560)	280	293	298	294	291
	Windsor-Sarnia (570)	268	273	278	273	282
	Stratford-Bruce Peninsula (580)	137	142	149	135	150
	North	**343**	**356**	**357**	**376**	**376**
	Northeast (590)	236	247	245	257	260
	Northwest (595)	107	109	112	119	117

* Average based on first ten months only, calculated by Ontario Ministry of Finance. Numbers may not add to totals due to rounding. Standard deviations vary significantly across regions, decreasing as the size of the region increases.

Note: 1. Labour Force Survey region of Toronto (530) closely matches the GTA, except that it excludes the city of Burlington.

Sources: Statistics Canada and Ontario Ministry of Finance.

Table 45 — Ontario, Employment by Industry for Labour Force Regions, 1995

		(thousands)			
		All Industries	Agriculture	Resources[1]	Manufacturing
Ontario		**5,231**	**109**	**47**	**972**
Region:	**East**	**697**	**16**	**4**	**75**
	Ottawa (510)	519	10	..	51
	Kingston-Pembroke (515)	179	6	..	24
	Greater Toronto Area (530)	**2,227**	**8**	**4**	**420**
	Central	**1,228**	**36**	**4**	**275**
	Muskoka-Kawarthas (520)	156	5	..	25
	Kitchener-Waterloo-Barrie (540)	480	13	..	120
	Hamilton-Niagara Peninsula (550)	592	18	..	130
	Southwest	**702**	**45**	**4**	**158**
	London (560)	294	15	..	58
	Windsor-Sarnia (570)	273	9	..	76
	Stratford-Bruce Peninsula (580)	135	21	..	24
	North	**376**	**4**	**31**	**43**
	Northeast (590)	257	..	24	25
	Northwest (595)	119	..	7	18

Table 45 (continued)

		(thousands)			
		Construction	TCU[2]	Trade[3]	FIRE[4]
Ontario		**264**	**381**	**865**	**353**
Region:	**East**	**32**	**53**	**105**	**31**
	Ottawa (510)	22	42	74	24
	Kingston-Pembroke (515)	10	11	31	7
	Greater Toronto Area (530)	**102**	**177**	**376**	**208**
	Central	**69**	**78**	**207**	**66**
	Muskoka-Kawarthas (520)	13	11	26	6
	Kitchener-Waterloo-Barrie (540)	26	31	81	26
	Hamilton-Niagara Peninsula (550)	30	36	101	34
	Southwest	**39**	**43**	**113**	**34**
	London (560)	15	15	50	19
	Windsor-Sarnia (570)	16	17	44	11
	Stratford-Bruce Peninsula (580)	8	11	19	4
	North	**21**	**31**	**63**	**15**
	Northeast (590)	15	20	46	10
	Northwest (595)	6	11	17	5

Table 45 (continued) **Ontario, Employment by Industry for Labour Force Regions, 1995**

		(thousands)		
		Health, Education & Welfare	Business Services	Personal Services[5]
Ontario		**850**	**391**	**529**
Region:	**East**	**129**	**62**	**72**
	Ottawa (510)	88	52	54
	Kingston-Pembroke (515)	41	9	19
	Greater Toronto Area (530)	**311**	**223**	**224**
	Central	**208**	**65**	**121**
	Muskoka-Kawarthas (520)	32	7	14
	Kitchener-Waterloo-Barrie (540)	77	25	46
	Hamilton-Niagara Peninsula (550)	100	32	61
	Southwest	**126**	**30**	**67**
	London (560)	61	13	27
	Windsor-Sarnia (570)	43	12	28
	Stratford-Bruce Peninsula (580)	21	5	12
	North	**76**	**12**	**44**
	Northeast (590)	54	8	28
	Northwest (595)	22	4	16

Table 45 (continued)

		(thousands)	
		Other Services[6]	Public Administration
Ontario		**177**	**293**
Region:	**East**	**25**	**94**
	Ottawa (510)	19	82
	Kingston-Pembroke (515)	6	13
	Greater Toronto Area (530)	**82**	**93**
	Central	**40**	**59**
	Muskoka-Kawarthas (520)	6	8
	Kitchener-Waterloo-Barrie (540)	14	22
	Hamilton-Niagara Peninsula (550)	21	29
	Southwest	**19**	**23**
	London (560)	9	10
	Windsor-Sarnia (570)	7	8
	Stratford-Bruce Peninsula (580)	..	5
	North	**11**	**25**
	Northeast (590)	8	17
	Northwest (595)	..	8

.. Employment numbers under 4,000 are suppressed because of statistical reliability.
Numbers may not add to totals due to rounding. See standard deviation note for Table 44.

Notes:
1. Includes Fishing, Trapping, Logging, Forestry and Mining.
2. Includes the sum of Transportation, Storage, Communication and Other Utilities.
3. Includes Wholesale and Retail Trade.
4. Includes Finance, Insurance and Real Estate.
5. Includes Personal, Accommodation & Food, and Amusement & Recreational Services.
6. Includes Miscellaneous Services and Religious Organizations.

Sources: Statistics Canada, Labour Force Survey and Ontario Ministry of Finance.

Economic Regions by Census Division

East
Stormont, Dundas and Glengarry United Counties
Prescott and Russell United Counties
Ottawa-Carleton Regional Municipality
Leeds and Grenville United Counties
Lanark County
Frontenac County
Lennox and Addington County
Hastings County
Prince Edward County
Renfrew County

Central
Northumberland County
Peterborough County
Victoria County
Dufferin County
Wellington County
Hamilton-Wentworth Regional Municipality
Niagara Regional Municipality
Haldimand-Norfolk Regional Municipality
Brant County
Waterloo Regional Municipality
Simcoe County
Muskoka District Municipality
Haliburton County

North
Nipissing District
Parry Sound District
Manitoulin District
Sudbury District
Sudbury Regional Municipality
Timiskaming District
Cochrane District
Algoma District
Thunder Bay District
Rainy River District
Kenora District

Greater Toronto Area (GTA)
Durham Regional Municipality
York Regional Municipality
Peel Regional Municipality
Halton Regional Municipality
Municipality of Metropolitan Toronto

Southwest
Perth County
Oxford County
Elgin County
Kent County
Essex County
Lambton County
Middlesex County
Huron County
Bruce County
Grey County

Ontario Labour Force Survey Regions[1]

East

Ottawa (510)	The united counties of Stormont, Dundas and Glengarry, Prescott and Russell, Leeds and Grenville, the county of Lanark and the Ottawa-Carleton Regional Municipality
Kingston-Pembroke (515)	The counties of Frontenac, Lennox and Addington, Hastings, Prince Edward and Renfrew

Central

Muskoka-Kawarthas (520)	The counties of Northumberland, Peterborough, Victoria, Haliburton and the Muskoka District Municipality
Kitchener-Waterloo-Barrie (540)	The counties of Dufferin, Wellington, and Simcoe and the Waterloo Regional Municipality
Hamilton-Niagara Peninsula (550)	The county of Brant, the Regional Municipalities of Hamilton-Wentworth, Niagara, Haldimand-Norfolk and the city of Burlington in the Halton Regional Municipality

Greater Toronto Area[2]

Toronto (530)	The Municipality of Metropolitan Toronto, the Regional Municipalities of Durham, York, Peel and Halton (excluding the city of Burlington)

Southwest

London (560)	The counties of Oxford, Elgin and Middlesex
Windsor-Sarnia (570)	The counties of Kent, Lambton and Essex
Stratford-Bruce Peninsula (580)	The counties of Perth, Huron, Bruce and Grey

North

Northeast (590)	The districts of Nipissing, Parry Sound, Manitoulin, Sudbury, Timiskaming, Cochrane, Algoma, and the Sudbury Regional Municipality
Northwest (595)	The districts of Thunder Bay, Rainy River and Kenora

1. As defined by Statistics Canada.
2. Labour Force Survey Region 530 closely matches the GTA, except that it excludes the city of Burlington.

1997

Ministry of
Finance

Ontario

Ontario

Economic Outlook and Fiscal Review

The Honourable Ernie Eves, Q.C.
Minister of Finance

1997
Ontario Economic Outlook and Fiscal Review

The Honourable

Ernie Eves, Q.C.

Minister of Finance

Ontario

General enquiries regarding the
1997 Economic Outlook and Fiscal Review should be directed to:

Ministry of Finance
Frost Building South, Queen's Park
Toronto, Ontario M7A 1Y7
(416) 325-0333

Copies are available free from:
Publications Ontario Bookstore
880 Bay Street, Toronto
Telephone (416) 326-5300

Or call:

Ministry of Finance	1-800-263-7965
French Language Enquiries	1-800-668-5821
Telephone Device for the Hearing Impaired (TTY)	1-800-263-7776

Out-of-town customers write or call:
Publications Ontario Mail Order Service
880 Bay Street, 5th Floor
Toronto, Ontario M7A 1N8
Toll-free long distance 1-800-668-9938

ISSN 0837-7529

Le document *Perspectives économiques et revue financière de l'Ontario* est disponible en français.

Table of Contents

Introduction

Since its election 30 months ago, the Government has followed a straightforward and comprehensive plan to strengthen Ontario's economy and create jobs by:

- **Cutting Provincial Income Taxes:** When the Government came to office, Ontario tax rates were among the highest in North America. By January 1, 1998, three-quarters of the promised 30.2 per cent cut to personal income taxes will have been delivered. The tax cut is creating jobs.

- **Balancing the Budget:** The Government has reduced the deficit by half to $5.6 billion this fiscal year from the $11.3 billion projected deficit that the Province faced in June 1995.

- **Making Government Work for People:** The Government is providing the people of Ontario with better, more focused and efficient government for less. Non-priority government spending has been cut and the savings have been redirected into priority programs such as health, education and public safety.

- **Removing Government Barriers to Job Creation, Investment and Economic Growth:** Bureaucracy has been moved out of the way of private-sector initiative, sending a signal around the world that Ontario is open for business.

The plan is producing solid results. The economy is growing strongly — real growth this year is estimated to be 4.4 per cent. The dramatic improvements in business and consumer confidence have led to strong growth in business investment and consumer purchases of homes and automobiles. Most importantly, since June 1995, more than a quarter million net new private-sector jobs have been created, helping thousands of people leave the welfare rolls and break the cycle of dependency.

The first two sections of this Review outline the actions taken by the Government to deliver on its commitments and the positive results that are already being felt across the province. Section C outlines Ontario's strong economic outlook.

Of course, the job of building a strong, dynamic economy is an ongoing one. Section D of this Review describes four important economic policy challenges for Ontario:

- Reducing the Burden of Debt
- Keeping Interest Rates Low to Support Jobs and Growth
- Equipping Young People for the Future
- Building an Innovative Economy

While the Government has made good progress toward its goal of balancing Ontario's Budget, there is still much work to do to achieve a balanced budget in 2000-01. Eliminating the deficit is just the first step in solving our fiscal problems. Despite the Government's actions to date, the public debt in Ontario will be over $117 billion once the deficit is eliminated.

A. Actions

- Cut Taxes
- Make Government Work for People
- Remove Barriers to Job Creation, Investment and Economic Growth
- Balance the Budget

Action: Cut Taxes

"Reducing taxes stimulates consumer spending and investment, a direct boost to job creation."

Common Sense Revolution, 1995.

30 Tax Cuts in Two Years

1996 Budget: 10 Tax Cuts

- Personal Income Tax Cut - Stage 1 (2 cuts)
- Employer Health Tax Cut - Stage 1
- Employer Health Tax Cut - Self-Employment Income - Stage 1
- Race Tracks Tax Rate Cut
- Retail Sales Tax Exemption for Call Centres
- Retail Sales Tax Exemption for Farm Building Materials
- Land Transfer Tax Refund for First-Time New Home-Buyers
- Ontario Film and Television Tax Credit
- Co-operative Education Tax Credit

1997 Budget: 20 Tax Cuts

- Personal Income Tax Cut - Stage 2 (2 cuts)
- Employer Health Tax Cut - Stage 2
- Employer Health Tax Cut - Self-Employment Income - Stage 2
- Enhanced Ontario Tax Reduction
- Ontario Child Care Tax Credit
- Extension of Land Transfer Tax Refund for First-Time New Home-Buyers
- Extension - Retail Sales Tax Exemption for Farm Building Materials
- Retail Sales Tax Exemption for Medical Research and Investigation Equipment
- Enhanced Ontario Film and Television Tax Credit
- Ontario Computer Animation and Special Effects Tax Credit
- Ontario Book Publishing Tax Credit
- Graduate Transitions Tax Credit
- Enhanced Co-operative Education Tax Credit
- Ontario Business-Research Institute Tax Credit
- Corporate Income Tax Add-Back Modification for Acquisition of Foreign Technology
- Elimination of Higher Non-Resident Rate of Land Transfer Tax
- Broadening Retail Sales Tax Relief for Research and Development
- Ontario New Technology Tax Incentive
- Capital Tax Deduction for Research and Development Expenditures

Action: Make Government Work for People

"We will cut the size of government. We will provide the people of Ontario with better for less."

Common Sense Revolution, 1995.

Streamlining the Public Sector

- Reduce the number of MPPs by 21 per cent, from 130 to 103, in future provincial elections
- Reduce the number of local politicians by 12 per cent
- Create fewer and more efficient local governments and school boards that can deliver better services
- Introduce competition into the electric power sector
- Reduce government administration costs by $300 million by 1997-98

Delivering Better Service

- Determine better ways to deliver government services, including partnerships with the private sector
- Make government more open and accountable by requiring public organizations to:
  - report the salaries of officials making $100,000 or more
  - report financial activities in accordance with the recommendations of the Canadian Institute of Chartered Accountants
  - adopt policies that ensure the private sector has an open and fair opportunity to provide services to public-sector organizations
  - develop and publish ministry business plans setting out key objectives and reporting on performance

Action: Remove Barriers to Job Creation, Investment and Economic Growth

"This will send a signal around the world that Ontario is open for business again."

Common Sense Revolution, 1995.

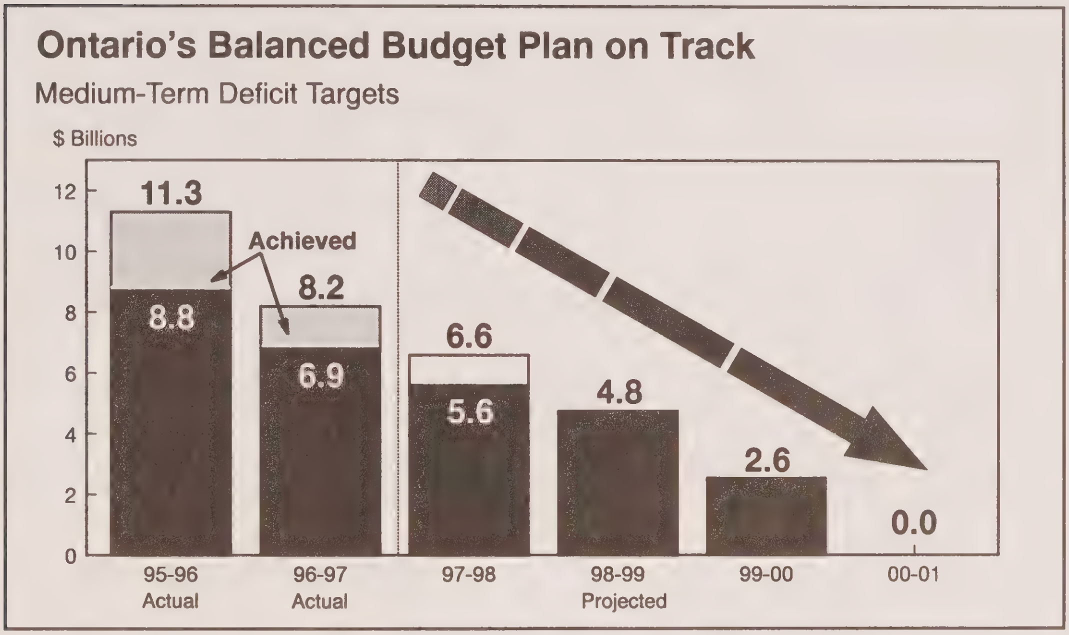
Removing Barriers to Growth

- Identified more than 1,000 regulations for elimination
- **Labour Markets**
  - Restored balance in labour relations
  - Repealed job quota legislation
  - Froze the minimum wage
  - Reformed Workers' Compensation
- **Housing and Development**
  - New Tenant Protection Act
  - Reduced Development Charges
  - Revised the Building Code
  - New one-window approach for provincial land-use planning advice and approvals
  - Time limits for provincial land-use planning decisions reduced by 50 per cent or more
- **Environment and Resources**
  - Simplified approvals under Environmental Protection, Water Resources and Environmental Assessment Acts
  - Self-assurance for mine closure and clean-up costs
  - Reduced overlap and duplication in permits required by Forest Fires Prevention, Lakes and Rivers Improvement and Public Lands Acts
- **Industry Self-Management**
  - Several industries taking on responsibility for administering provincial regulations specific to their industries
  - New Agricorp Act will encourage client-responsive delivery of crop insurance and other safety net programs
- Eliminating the "equals" approach and other restrictions on loan and trust companies that hamper their lending to small businesses
- The Ontario Securities Commission has become a self-funding agency
- Ontario Hydro rates frozen for five years

Action: Balance the Budget

"This plan will fully balance the budget within our first mandate."

Common Sense Revolution, 1995.



- The Government has exceeded its deficit target in each of the first two years in office and is on track to better its 1997-98 deficit target.

- The focus is on priority programs that are being delivered in more efficient and less costly ways.

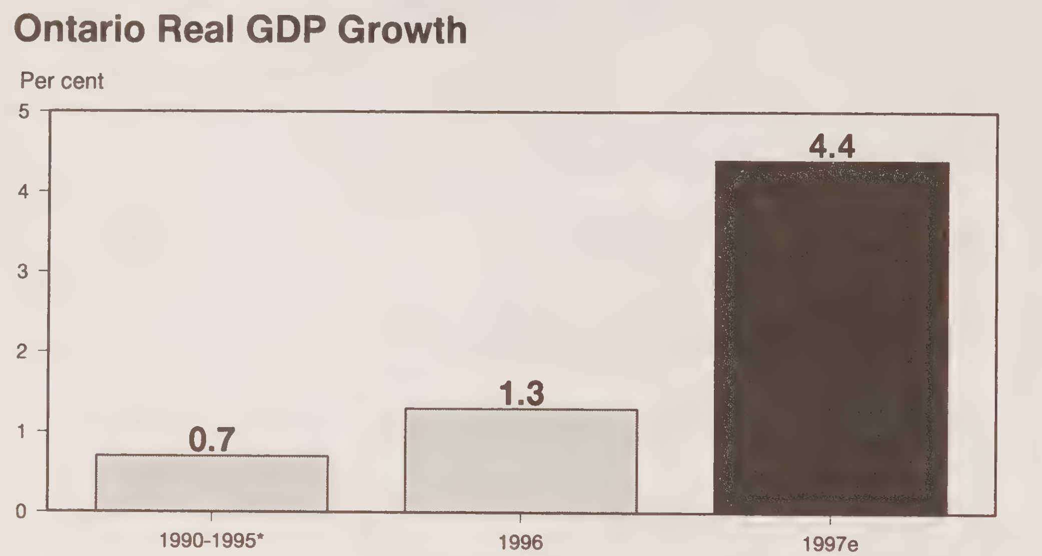
B. Results

- Strong Economic Growth
- Confidence on the Rise
- Business Investment Surging
- More Jobs and Higher Incomes
- Welfare Cases Falling
- Housing is Booming
- Record Year for Ontario's Auto Sector
- Ontario is a Strong Global Competitor

Result: Strong Economic Growth

"Ontario's economy became red hot in 1997 and is likely to remain so through 1998...."

Bank of Montreal, 1997.



Sources: Statistics Canada and Ontario Ministry of Finance. *annual average. e = estimate.

- The Ontario economy has turned the corner and is growing strongly. Sound economic and fiscal policies are contributing to renewed confidence. Real GDP rose by an estimated 4.4 per cent in 1997.

- Driven by healthy household and business demand, Ontario's economy turned in a robust performance in the first half of 1997, growing at annualized rates of 6.8 and 7.2 per cent in the first and second quarters respectively. Early evidence suggests that this solid growth has continued through the second half of the year.

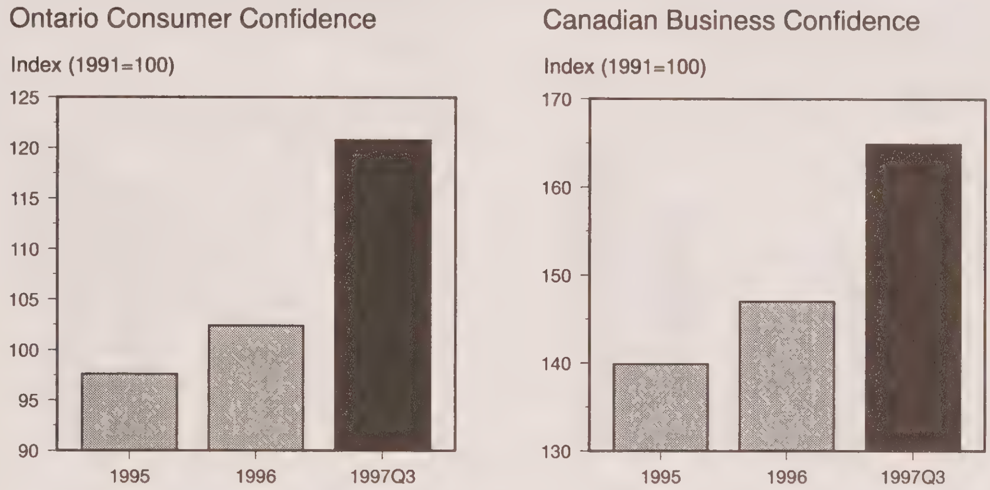
- Ontario's strong 1997 economic performance has fortified consumer and business confidence. International investors increasingly recognize that Ontario is an excellent place to live and invest.

Result: Confidence on the Rise

"Bolstered by a consistently increasing level of optimism, Ontario businesses are more optimistic than other regions...."

Dun & Bradstreet Canada, 1997.

Consumer and Business Confidence



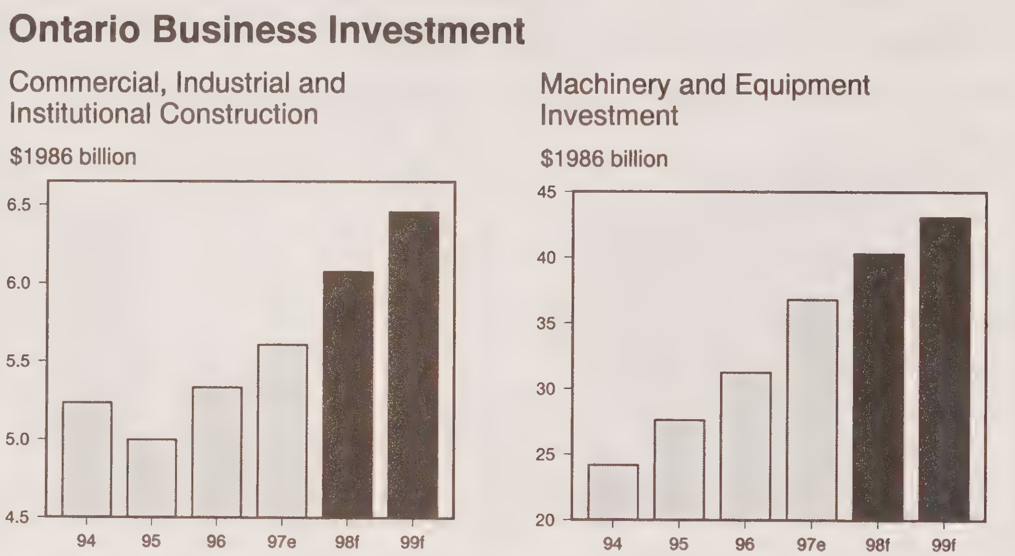
Source: Conference Board of Canada.

- Tax cuts, improving job prospects, continuing deregulation and progress toward a balanced budget have boosted confidence.
  - Consumer confidence has risen to its highest level in almost nine years, while business confidence has also swelled to record highs.
  - According to Conference Board's latest survey of business confidence, 49.7 per cent of respondents identify Ontario as the province where they plan to invest the most.
- The surge in confidence has strengthened household spending and bolstered business investment.
  - A recent Angus Reid poll showed that three-quarters of Ontario consumers think this is a good time to purchase a "big-ticket" item.

Result: Business Investment Surging

"Given strong growth in their markets, Ontario businesses are now expanding their productive capacity...."

Bank of Montreal, 1997.



Sources: Statistics Canada and Ontario Ministry of Finance. e = estimate. f = forecast.

- Ontario's strong competitive position and record business confidence are encouraging investment. Investment spending is rising sharply as firms adapt to globalization and freer trade.

- Ontario real business investment in machinery and equipment rose an average of 13.7 per cent per year in 1995 and 1996 and by a further 17.7 per cent in 1997.

- Real investment in commercial, industrial and institutional construction is also growing strongly, rising 6.7 per cent in 1996 and 5.1 per cent in 1997.

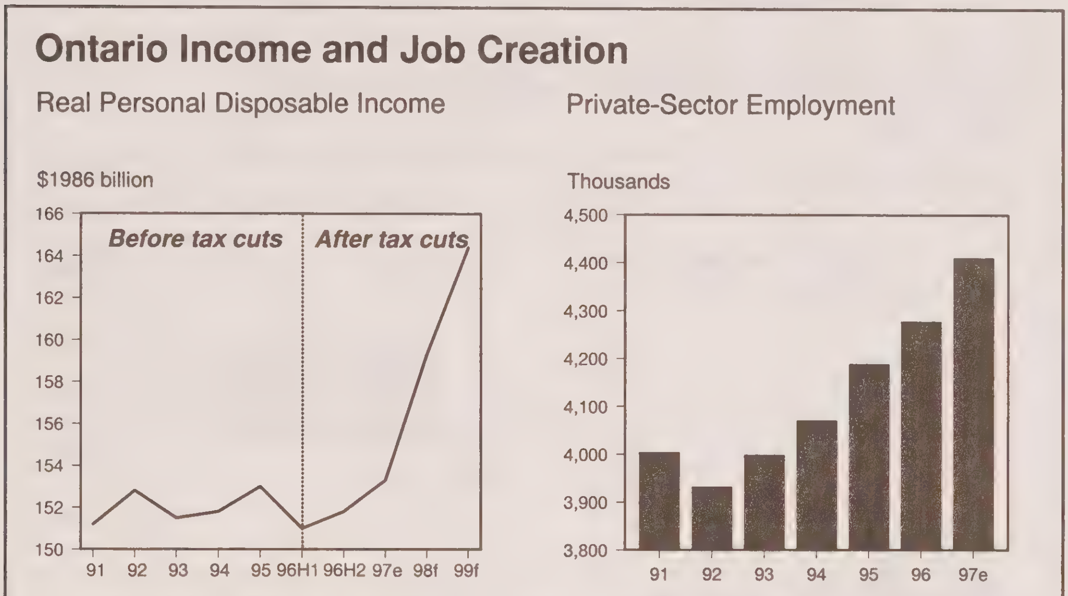
  - According to Royal LePage, the Toronto office vacancy rate fell to 10.4 per cent in the third quarter of 1997, from 14.6 per cent a year ago, leading to an increase in construction.

  - The value of commercial, industrial and institutional building permits issued in Ontario is up nearly 36 per cent so far this year.

Result: More Jobs and Higher Incomes

"Jobs! Jobs! Jobs! Employment has boomed in Ontario...."

The Conference Board of Canada, 1997.



Sources: Statistics Canada and Ontario Ministry of Finance. e = estimate. f = forecast.

- Tax cuts, low interest rates and a renewed sense of competitiveness have significantly improved Ontario's business climate. Stronger household and business demand have fuelled vibrant private-sector job creation.

  – Since June 1995, private-sector employment in Ontario has risen by 257,000 net new jobs.

- Tax cuts and strong job gains have translated into the strongest real personal disposable income growth for Ontario consumers since 1989. This has led to buoyant consumer spending. To date in 1997:

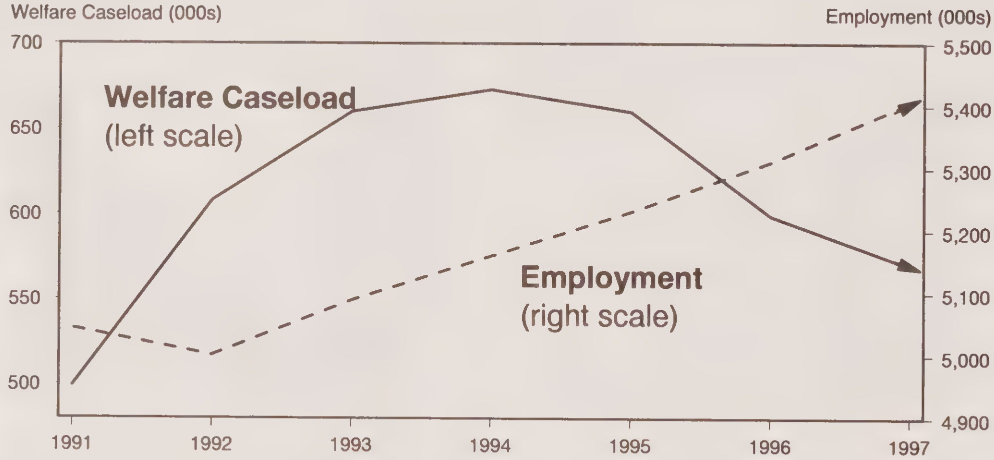
  – Unit auto sales in Ontario are up 17.5 per cent — the strongest gain in 12 years
  – Retail sales are up 6.4 per cent
  – Department store sales are up 11.9 per cent

Result: Welfare Cases Falling

"We want to open up new opportunities and restore hope for people by breaking the cycle of dependency...The best social assistance program ever created is a real job...."

Common Sense Revolution, 1995.

Ontario Welfare Caseload and Employment, 1991-1997*



* Data for 1997 cover the first 11 months.

- Welfare reforms and a strengthening economy have dramatically reversed the upward trend in the caseload. In the past, the caseload rose regardless of economic conditions.

- The caseload declined by 19.4 per cent between June 1995 and November 1997. This is the lowest caseload since November 1991.

- The number of people depending on social assistance fell by 18.6 per cent or a quarter million between June 1995 and November 1997.

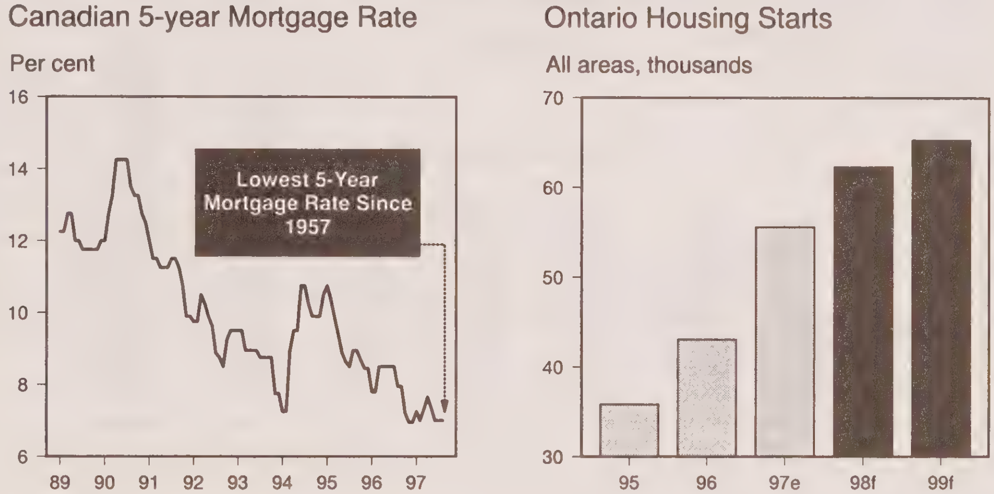
- Ontario Works is designed to help people on welfare get back to work. To date, municipalities representing over 90 per cent of the employable welfare caseload have implemented Ontario Works.

Result: Housing is Booming

"Ontario's economy has shifted gears from job recovery mode to job growth...Jobs are a key ingredient in boosting housing demand, but combine jobs with affordable mortgage carrying costs, strength in home resales and moderate inventories of newly completed and unoccupied homes, and they suggest that housing starts should grow further."

Canada Mortgage and Housing Corporation, 1997.

Mortgage Rates and Housing Starts



Sources: Bank of Canada, CMHC and Ontario Ministry of Finance. e = estimate. f = forecast.

- Strong pent-up demand for housing and excellent housing affordability combined to make the housing sector the star of the economy in 1997.

- Housing starts are up 27.0 per cent so far in 1997, following an increase in 1996 of 20.2 per cent. Ontario's rebate of the Land Transfer Tax to first-time buyers of new homes has contributed to this increase in construction.

- Ontario home resales rose 7.7 per cent over the first 10 months of 1997. So far this year, new home sales in the Toronto area have increased 41.9 per cent.

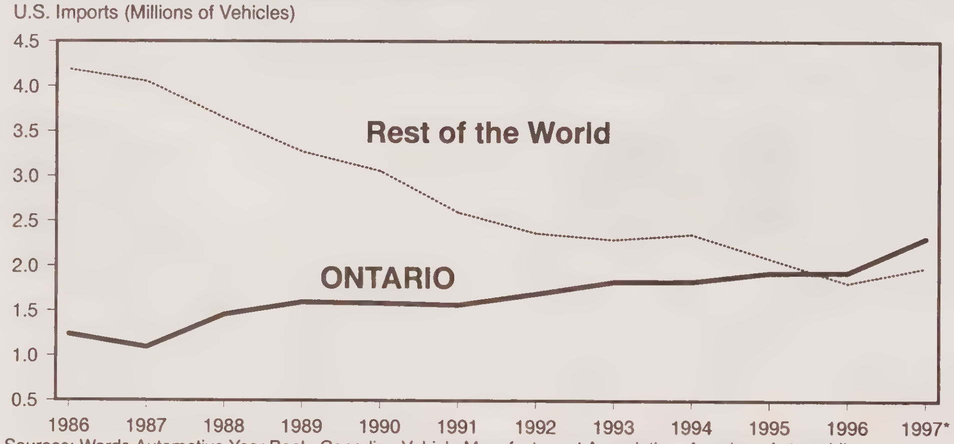
- Ontario's population growth can sustain at least 70,000 additional housing units per year, suggesting that growth in the housing market will continue.

Result: Record Year for Ontario's Auto Sector

"Ontario is one of the best two or three spots anywhere in the world to manufacture motor vehicles and parts and has one of the best prospects for growth in manufacturing vehicles and parts anywhere in the world."

Dennis DesRosiers, Automotive Consultant, 1997.

Ontario Exports More Vehicles to the U.S. Than the Rest of the World Combined



Sources: Wards Automotive Year Book, Canadian Vehicle Manufacturers' Association, American Automobile Manufacturers' Association, Ontario Ministry of Finance.
* Half year at annual rates.

- Real output in Ontario's auto sector has grown at a strong 7.4 per cent annual rate over the 1992-96 period. With auto assemblers heading toward producing a record 2.5 million cars and light trucks in 1997 (exceeding the 1996 2.3 million record), real output is projected to increase by 7.8 per cent in 1997.

- Employment in Ontario's auto sector increased by 23,000 over the 1992-96 period to stand at a record 133,000 workers in 1996.

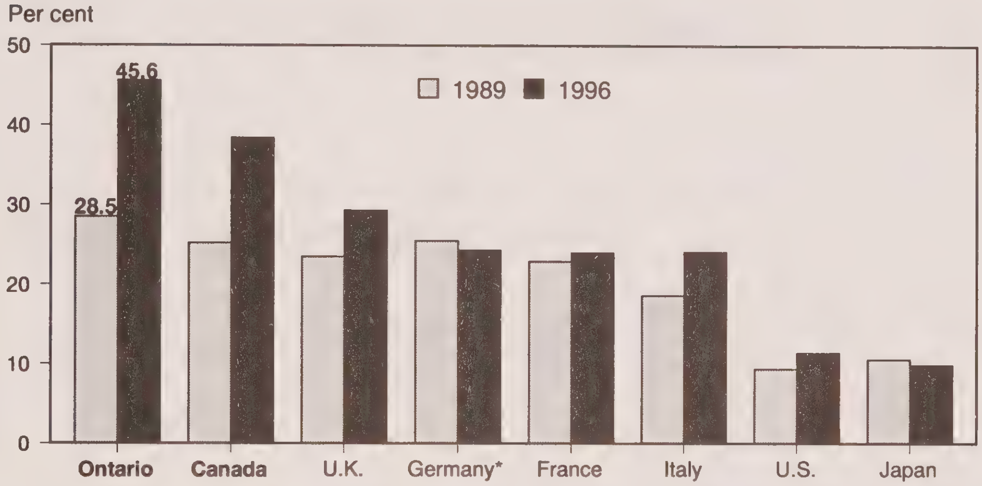
- Ontario's auto exports account for close to 14 per cent of the U.S. market, exceeding the rest of the world combined.

Result: Ontario is a Strong Global Competitor

"The province's globally competitive position should ensure that manufacturing export growth remains relatively strong...."

Royal Bank, 1997.

International Exports as a Share of GDP



Sources: OECD, Statistics Canada and Ontario Ministry of Finance. *1991 and 1996.

- Ontario's export orientation has increased sharply since the Canada-U.S. Free Trade Agreement came into effect in 1989, rising from 28.5 per cent of GDP in 1989 to 45.6 per cent of GDP in 1996.

- Real Ontario exports have increased by an average 7.5 per cent between 1995 and 1997 and are expected to grow at an average 5.8 per cent over the next two years.

- Over the first nine months of 1997, Ontario merchandise exports rose 6.5 per cent from the same period a year earlier.

  - The gains are broadly based with auto exports up 8.0 per cent, consumer goods up 14.9 per cent, exports of industrial goods up 5.6 per cent, and machinery and equipment exports up 4.4 per cent.

- A highly competitive Ontario economy will continue to claim its share of an expanding world market.

C. Economic Outlook

Economic Outlook at a Glance

Per cent	1996	1997b	1997e	1998f	1999f
Real GDP growth	1.3	3.2	4.4	3.5	3.1
Employment (thousands)	5,311	5,396 to 5,437	5,410	Up to 5,602	Up to 5,772
Unemployment rate	9.1	8.4-8.7	8.5	7.8-8.2	7.6-8.0
CPI inflation	1.6	1.9	1.9	1.7	1.8

Sources: Statistics Canada and Ontario Ministry of Finance. b = 1997 Budget projection (May 1997). e = estimate. f = forecast.

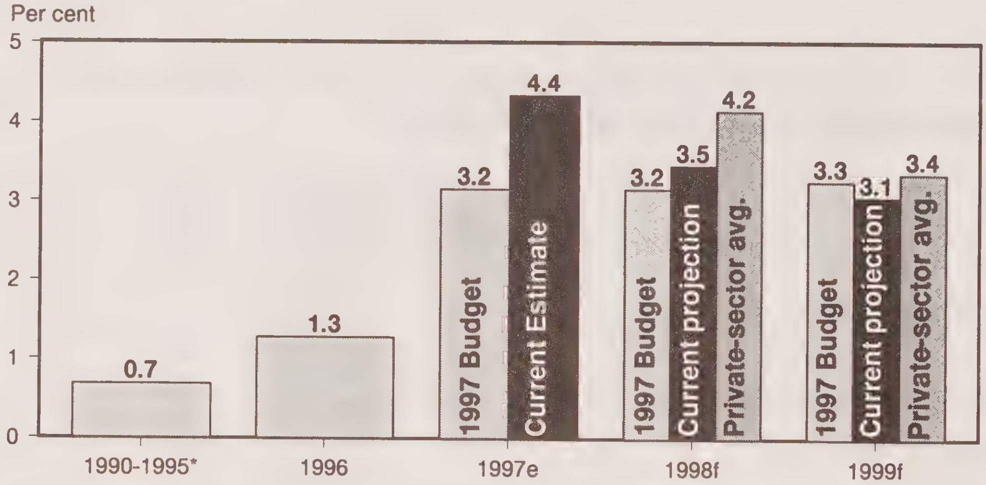
NOTE: *Real or inflation-adjusted data in this document are based on 1986 prices. On December 12, Statistics Canada issued revised historical estimates of Canada's national income and expenditures based on 1992 prices. This is an important change that provides new information on the structure and performance of the economy. The Ministry of Finance will take advantage of the new data to update the portrait of the Ontario economy presented in this document. This should be available by the end of February 1998.*

Sound Economic Policies Create an Environment That Supports Strong Growth, Investment and Job Creation

"Ontario's economy is expected to lead the rest of the country in terms of real domestic product growth in 1997 and 1998. The economy is being propelled forward by a thriving manufacturing sector, and strong growth in its construction and financial service sectors."

DRI/McGraw-Hill, 1997.

Ontario Real GDP Growth



Sources: Statistics Canada and Ontario Ministry of Finance. *annual average. e = estimate. f = forecast.

Growth is expected to be strong and broadly based over the next few years, as the long-term effects of reduced taxes, low interest rates and a highly competitive economy promote confidence and investment.

- The Ontario Government bases its plans on cautious and prudent assumptions about the economy to ensure targets can be met and goals achieved. The instability of financial institutions in Asia has increased the uncertainty surrounding the economic projection. To be cautious, Ontario Finance projects modest real growth of 3.5 per cent for 1998, 0.7 percentage points below the current private-sector average.

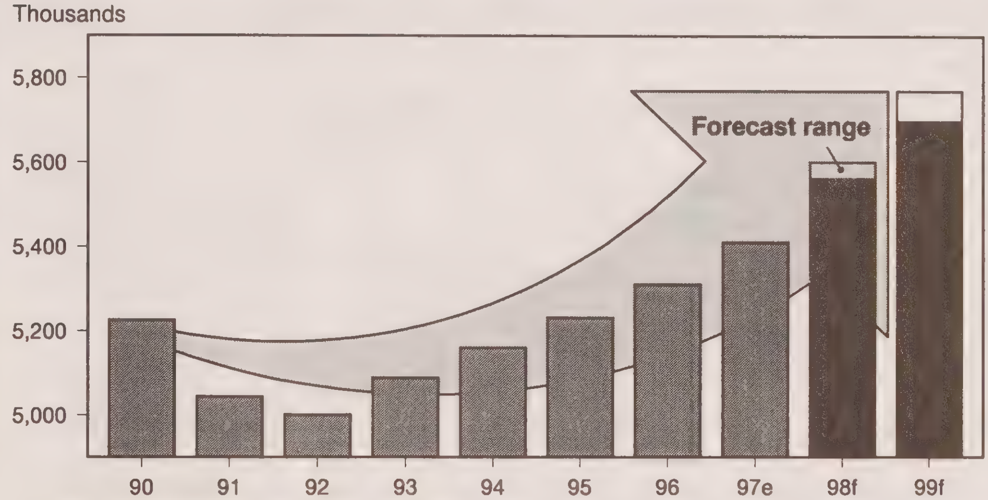
- Strong growth in 1997 and 1998 is likely to be met by tighter monetary policy, resulting in somewhat slower growth in 1999.

Ontario Job Creation Accelerating

"Although the current pace of job creation is robust, the Ontario economy has the capacity to sustain such gains in the near term."

The Conference Board of Canada, 1997.

Ontario Employment



Sources: Statistics Canada, Ontario Ministry of Finance, Ontario Finance Survey of Forecasts (November 1997).
e = estimate. f = forecast.

Lower taxes and the strong competitive position of Ontario producers are leading to accelerating private-sector employment growth.

- Increasing confidence and higher after-tax income have produced accelerating housing and consumer activity in Ontario, leading to strong job gains in construction, retail and leisure services.

- Knowledge- and technology-intensive industries such as financial, computer and other business services will continue to lead job creation.

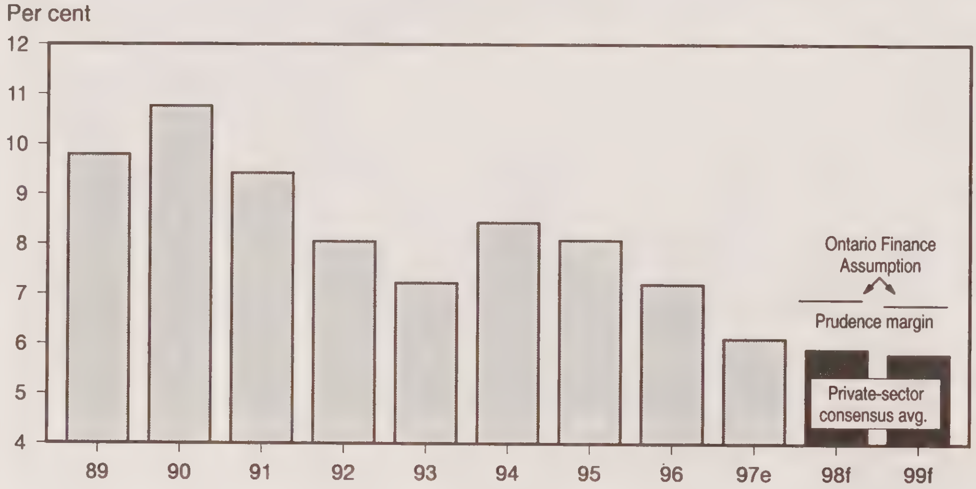
- Ontario's auto sector will provide additional job growth, as recent plant expansions at Toyota and Honda and associated parts plants come on stream.

Continuing Low Interest Rates Reflect Sound Fiscal Policy

"The success of Canadian governments in reducing their deficits has been met with approval in financial markets, and has contributed to the current low and stable interest rate environment in Canada."

Toronto Dominion Bank, 1997.

10-Year Government of Canada Bond Rate



Sources: Statistics Canada and Ontario Ministry of Finance. e = estimate. f = forecast.

Sound fiscal policies and continued low inflation are delivering low interest rates, which are the best way to spur investment, growth and jobs.

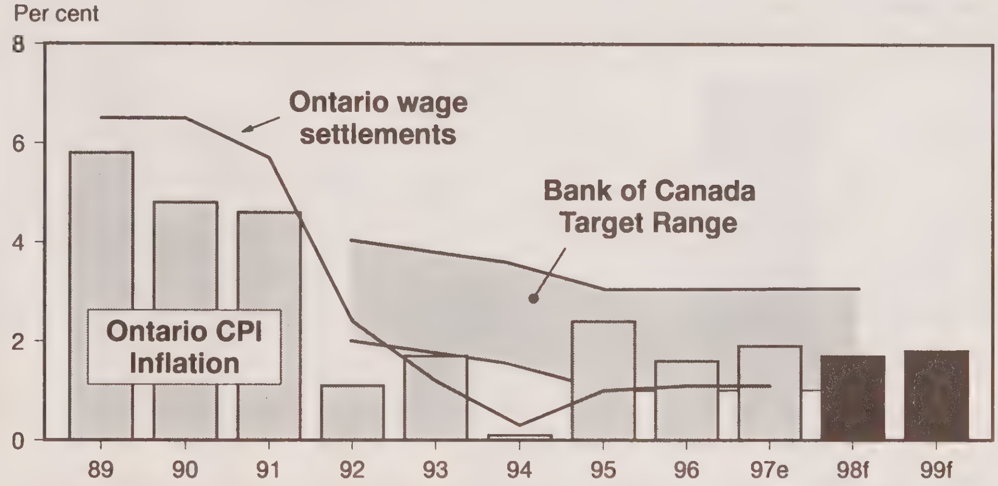
- Interest rates are near historic lows, providing a powerful incentive for businesses to invest and for households to purchase big-ticket items like homes and cars.
- Financial markets have responded favourably to the great strides governments have made in reducing their deficits by pushing down interest rates to 30-year lows.
- To be prudent, Ontario's economic projection is based on interest rates that are 100 basis points above the private-sector average to ensure that Ontario's fiscal plan will be achieved.

Inflation to Remain Low

"Even with these strong growth numbers in both output and employment, we expect inflation in both Ontario and Canada to remain low for the foreseeable future."

University of Toronto, Institute for Policy Analysis, 1997.

Consumer Price Inflation and Wage Settlements



Sources: Statistics Canada, Bank of Canada and Ontario Ministry of Finance. e = estimate. f = forecast.
Note: Wage settlements for 1997 cover first nine months.

Continuing low inflation reflects the ongoing availability of under-utilized resources, intense international competition and rising productivity. A stronger Canadian dollar over the medium term will also help keep inflation low.

- Ontario consumer prices increased by an estimated 1.9 per cent in 1997.
- Despite a strengthening economy, inflation is projected to remain below two per cent over the next several years, well within the Bank of Canada's current target band of one to three per cent.
- According to private-sector forecasters, Ontario inflation is expected to remain lower than in most G-7 nations through the end of the decade.

Economic Prospects More Broadly Based and Secure

"Ontario's economic engine is moving into higher gear...While exports will benefit from solid U.S. activity, the domestic economy also is revving up."

Scotiabank, 1997.

Private-Sector Contributions to Ontario Real Growth

Sources: Statistics Canada and Ontario Ministry of Finance.
f = forecast

Exports have led economic growth over the past five years but consumers and businesses are starting to play the leading role.

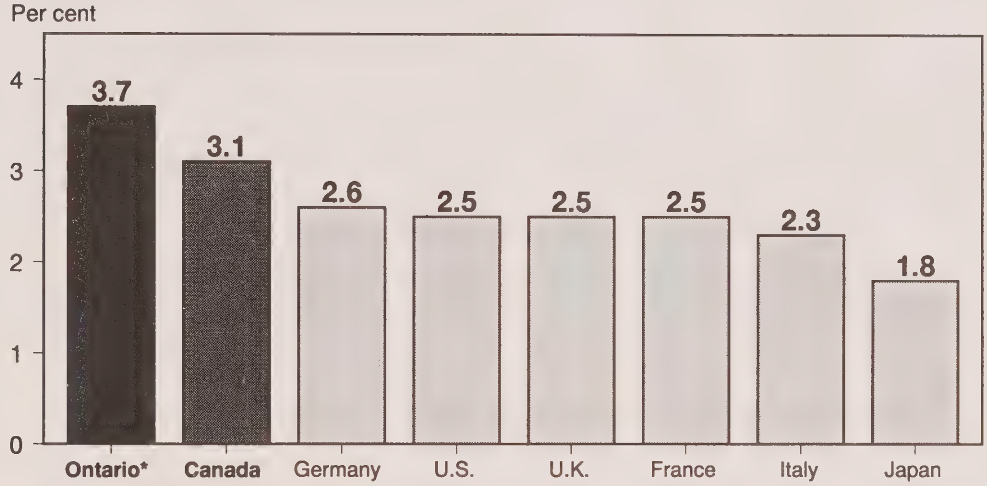
- Business investment will grow at the fastest pace over the forecast period. This investment will ensure that Ontario business remains competitive in world markets.
- Household spending is expected to grow more strongly over the 1997-99 period as both personal consumption and residential construction will be stimulated by tax cuts, low interest rates and rising incomes.
- Faster growth in exports in the 1997-99 period is expected to be accompanied by an even stronger advance in imports as domestic demand accelerates.
- The recent financial market turmoil is leading to expectations of slower international growth in 1998, primarily in Asia. Depreciation of East Asian currencies will intensify international trade competition. These factors will tend to slow Ontario export growth.

Economic Growth Will Outpace Canada and the Rest of the G-7

"Ontario is expected to top North American growth over 1997-2001."

DRI/McGraw-Hill, 1997.

Private-Sector Forecasts of Real GDP Growth, 1997-2001



Sources: Consensus Forecasts (November 1997), *Ontario Ministry of Finance Survey of Forecasts (November 1997).

Optimism that Ontario has moved into a period of strong and sustained growth is widely shared.

- Canada is the growth leader among the G-7 countries and Ontario leads Canada. Private-sector forecasters expect Ontario's real GDP growth rate to average 3.7 per cent over the 1997-2001 period, outpacing the growth projected for any of the G-7 countries.

D. Four Key Economic Policy Challenges

A healthy, growing economy provides the underpinning for a balanced budget and high-quality public services. Four economic policy challenges are of particular importance to sustaining a high-growth, job-producing economy:

- **Reducing the Burden of Debt.**
  Although enormous progress has been made in reducing the deficit — or the amount that we must borrow each year — the size of Ontario's debt continues to grow. Each year Ontario pays interest on this debt, which is funded by government revenues that could be returned to Ontario taxpayers or used for priority programs. The policy challenge is to eliminate the deficit and to tackle the real economic problem of reducing the annual $9 billion interest on the Province's debt.

- **Keeping Interest Rates Low to Support Jobs and Growth.**
  To keep Ontario on track and put Ontarians back to work it is important that the Bank of Canada maintain low interest rates. If the Bank of Canada misjudges the risk of inflation and raises interest rates excessively in response to false expectations, the Bank could derail the Ontario and Canadian economies by damaging consumer and business confidence. This would undermine the creation of new jobs and increase the difficulty of balancing government budgets.

- **Equipping Young People for the Future.**
  Increasingly, high-quality post-secondary education is a prerequisite to good jobs in growing sectors of the economy. The policy challenge facing Ontario is to enable young people to obtain the right skills for the kinds of jobs that will be available in the new economy.

- **Building an Innovative Economy.**
  Innovation is the key to creating competitive advantage for the province in the emerging knowledge- and technology-based economy. The better an economy is at innovation, the brighter the future for young and old alike. The challenge lies in establishing new partnerships between Ontario's high-growth innovative companies and its world-class universities and colleges.

Reducing the Burden of Debt:

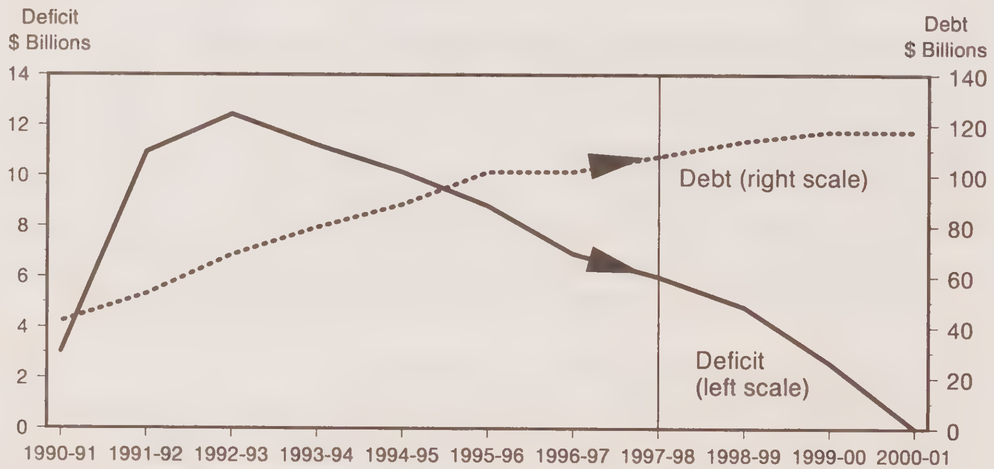
Eliminating the Deficit is the First Priority

The Ontario Government has made considerable progress toward meeting its commitment to balance the Budget by 2000-01.

The Ontario Budget deficit has been cut from a potential $11.3 billion in 1995-96 to $5.6 billion in 1997-98. The federal government expects to balance its Budget no later than 1998-99.

Ontarians, and all Canadians, can be justly proud of our success in reducing budget deficits.

Ontario's Debt and Deficit



Source: Ontario Ministry of Finance.

- Servicing the debt costs more than $9 billion per year and takes money out of the pocket of every Ontarian. Ontario's debt alone is equivalent to over $9,400 for each and every person in this province.

- Until the deficit is eliminated, it will not be possible to start to reduce the mountain of public debt that the Government inherited.

Reducing the Burden of Debt:

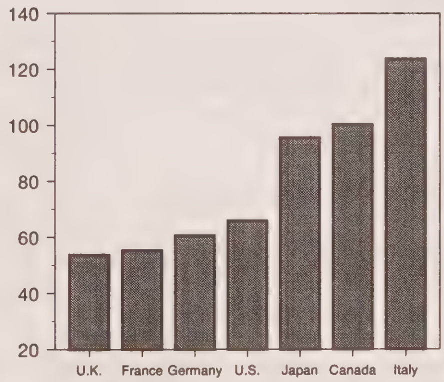
Canada and Ontario's Debt Problem Remains

Canada's public-sector deficits are now the lowest among the major industrial nations. One of the key benefits of this success in reducing government borrowing is lower Canadian interest rates. Lower interest rates have made individual Canadians and businesses better off.

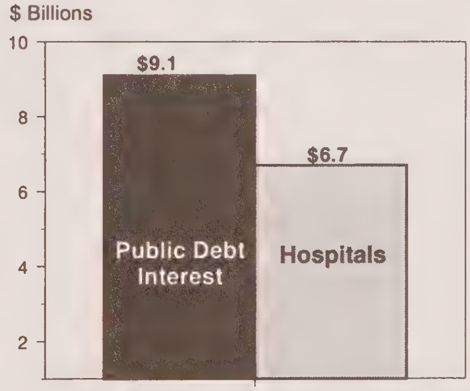
While new government borrowing has been reduced, the amount of debt outstanding is very large by international standards. The size of Canada's public debt relative to the size of our economy is greater than that of any of the other major industrial countries with the exception of Italy. Canadians pay a high price for this.

Canada's High Debt Burden Results in Too Many Tax Dollars Being Wasted on Interest Payments

International Comparisons of Gross Debt as a per cent of GDP, 1996



Ontario Public Debt Interest and Hospital Spending, 1997-98



Sources: IMF Outlook, October 1997 and Ontario Ministry of Finance.

- This year Ontario will spend more to service its debt than the annual funding for hospitals.

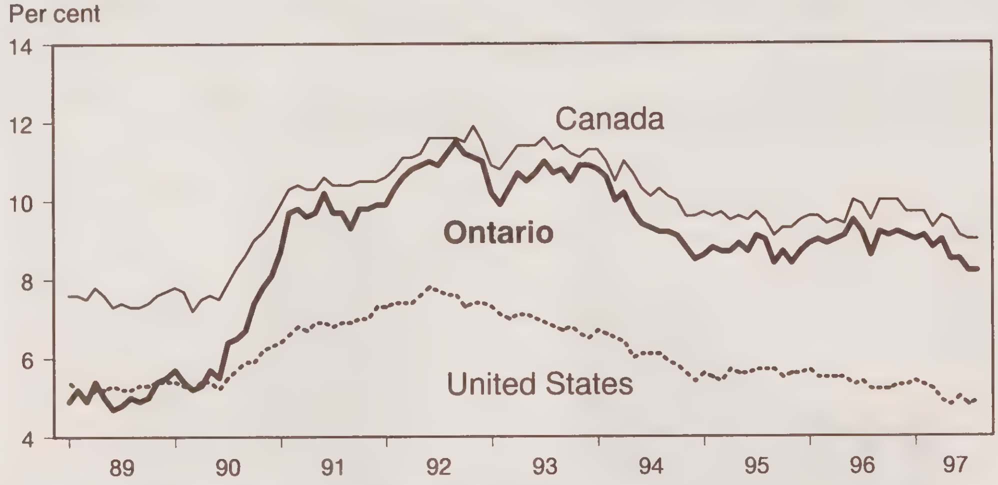
- Ontarians will face important issues in the near future about the Province's debt. Once the Budget has been balanced, what is the right pace at which to pay down the debt?

Keeping Interest Rates Low to Support Jobs and Growth:

Continuing Low Interest Rates Are Needed to Assure a Return to Full Employment

Recent strong economic growth has led the Bank of Canada to raise interest rates. While these small increases by themselves do not threaten the recovery, the Bank of Canada needs to be mindful of past experiences. In 1994, it raised interest rates excessively, pushing the economy into a downturn in 1995. The Bank of Canada should pursue a more balanced approach to unleash the economy's growth potential.

Unemployment Rates



Sources: Statistics Canada and U.S. Bureau of Labor Statistics.

- In the late 1980s, Ontario's unemployment rate was about the same as in the United States, whereas it is now more than three percentage points higher. In fact, Ontario has the potential to match the reduction in unemployment seen in the United States. Most analysts believe that structural reforms have lowered the unemployment rate at which inflation would start to be a problem.

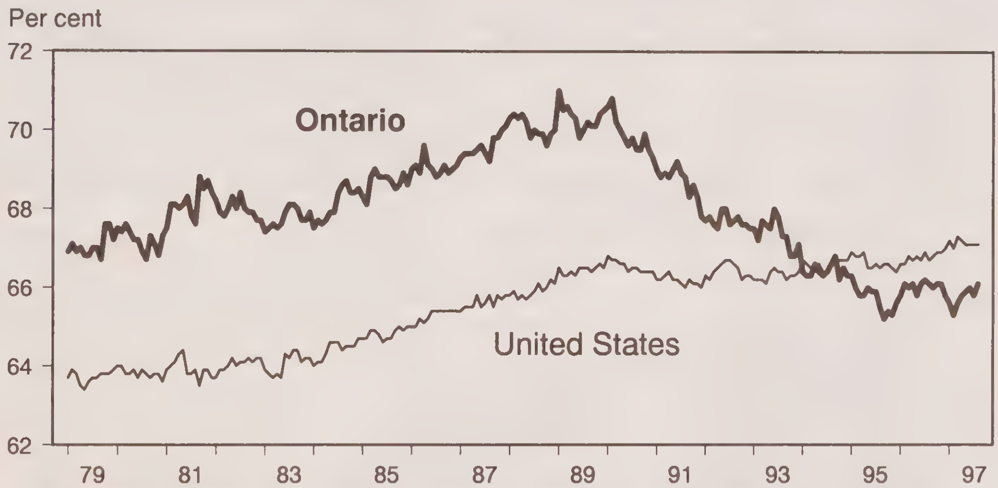
- A recent study by economists at Nesbitt Burns supports the view that Ontario's unemployment rate could dip to 5.5 per cent without an increase in the inflation rate.

Keeping Interest Rates Low to Support Jobs and Growth:

The Economy Has Room to Grow — Interest Rates Should Not Cut Off Growth Prematurely

Given current conditions in the economy, the slowing of growth that most economists predict for 1999 is unnecessary. The economy could maintain strong growth without triggering a significant risk of inflation.

Labour-Force Participation Rates*



Sources: Statistics Canada and U.S. Bureau of Labor Statistics. *Proportion of the population working or looking for work.

- More capital investment is needed to expand output and employment. This will be forthcoming if business decision-makers have confidence that growth will not be choked off prematurely.

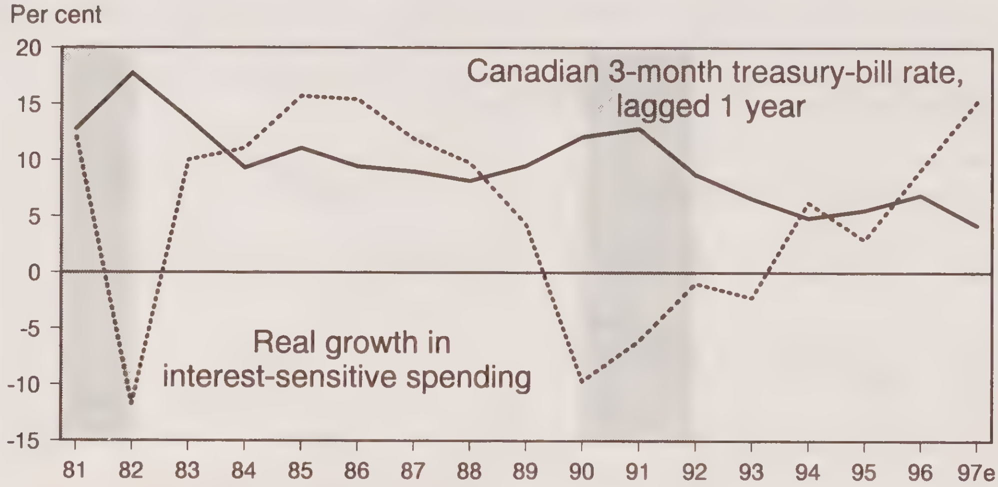
- During the 1980s, Ontario's labour-force participation rate was about four percentage points higher than that of the United States. Following the 1990-92 recession, there was a very large drop in Ontario's rate, concentrated especially among young people.

- Ontario's tax cuts and labour market and social assistance reforms will encourage people to rejoin Ontario's labour force. Restoring Ontario's participation rate to 70 per cent would add about 350,000 workers to Ontario's labour force, further reducing inflationary pressures.

Keeping Interest Rates Low to Support Jobs and Growth:

Past Slowdowns Have Resulted from Sharply Higher Interest Rates

Interest Rates and Ontario Household and Business Demand



Sources: Bank of Canada and Ontario Ministry of Finance. e = estimate.
Note: Ontario recessionary periods are shaded.

- The domestic economy has only recently begun to show signs of strength. A premature rise in interest rates could sharply curtail domestic demand — particularly in the interest-sensitive sectors of the economy such as business spending, housing and spending on big-ticket items such as cars and furniture.

- In addition to providing the conditions that permit healthy growth with sustained low inflation, the Bank of Canada plays a key role in maintaining confidence when financial markets become unsettled. While this may require short periods of higher interest rates, the Bank should permit interest rates to return as quickly as possible to levels that are appropriate to Canadian economic conditions.

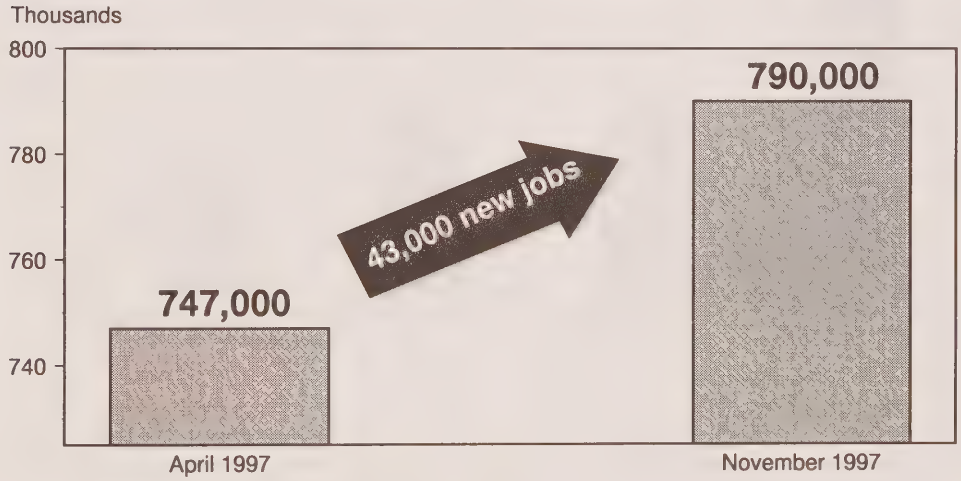
Equipping Young People for the Future:

Youth Employment Strengthens

A strong economy is the essential foundation for job growth. In 1997, Ontario's vibrant economy began to pay off for youth. In the past seven months, youth aged 15 to 24 have gained 43,000 jobs, representing 44 per cent of Ontario's net job gains. In the same period, 100 per cent of Canada's new youth jobs were created in Ontario.

There are still too many young people in Ontario unemployed or underemployed in jobs with little chance of advancement. Youth were hard hit by the 1990s recession and, until recently, have lagged adults in job recovery. The number of youth who have never had a job has risen sharply. One in five youth has never worked, up from one in 11 a decade ago. Ontarians must help youth prepare to meet the needs of a changing and very competitive labour market.

Ontario Youth Employment, April-November 1997



Source: Statistics Canada. Data are seasonally adjusted.

- Eighty-seven per cent of net new jobs created for youth in the past seven months have been full-time.

- Improved job prospects have helped raise the labour-force participation rate for youth aged 20 to 24 to 76 per cent, now close to the rate for adults aged 25 to 64 of 79 per cent. Teens continue to have low participation rates.

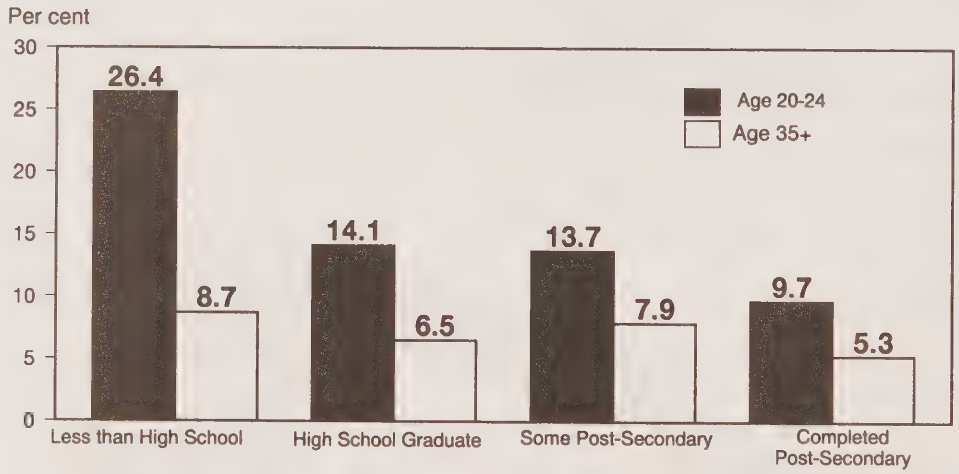
Equipping Young People for the Future:

Education is the Key to Employment

A high school diploma is no longer enough to ensure entry to a good job. Increasingly, post-secondary education is a prerequisite to good jobs in growing sectors of the economy such as manufacturing, communications, trade and business services.

Over the past decade, people with a post-secondary education accounted for all of the new jobs created in Ontario, on a net basis. Jobs requiring high levels of education and training will continue to grow fastest in the future.

Unemployment Rate by Age and Education, Ontario, 1997*



Source: Statistics Canada. *January - November, 1997.

- Education is the key factor determining the risk of unemployment. Youths aged 20 to 24 with very little education have an unemployment rate nearly three times higher than youths with post-secondary credentials.

- Age and experience reduce unemployment rates for all levels of education.

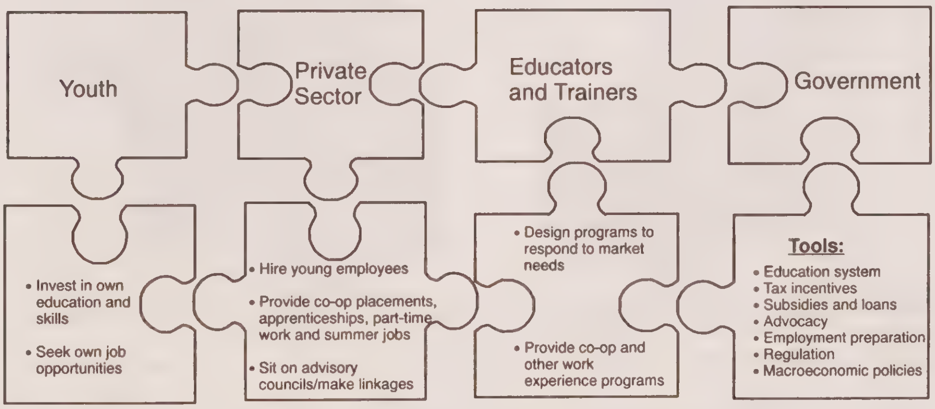
Equipping Young People for the Future:

Increasing Youth Employment

A vibrant, growing economy will improve job prospects for youth. But we must also adapt the way we work and learn because youth today face a job market subject to rapid and deep structural and technological change. Youth without higher education and skills risk being left behind in the knowledge-based economy.

Ontarians must take measures to include all youth in the opportunities of the new economy. This will require new partnerships among all the players who have a stake in improving job prospects for youth.

New Partnerships to Solve the Youth Employment Puzzle



Ontario's strategic investments in youth must be:

- Building education and skill levels;
- Creating strong pathways in the transition from school to work;
- Supporting meaningful work experience and job opportunities.

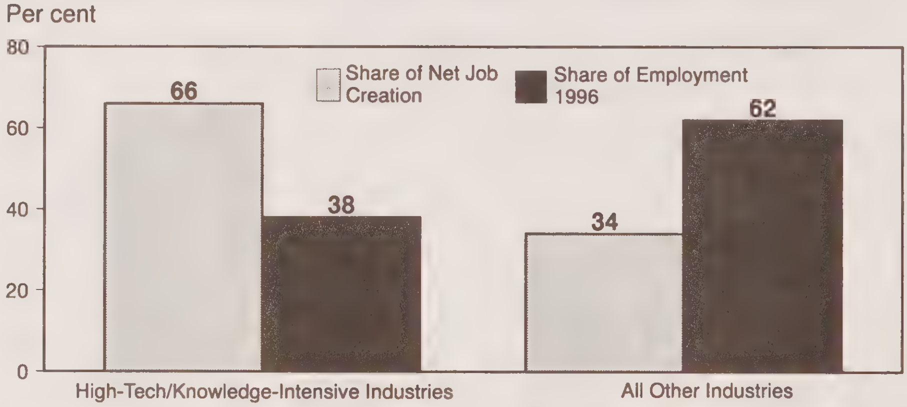
Building an Innovative Economy:

Key to Growth and Job Creation

Innovation is the cornerstone of high-income, job-creating economies.

Successful firms invest more in "soft" assets that lead to innovation. The fastest-growing firms generally invest more than twice as much in R&D, marketing and training as firms that grow more slowly, even though they invest about the same proportion of their sales in physical assets.

High-Tech and Knowledge-Intensive Industries* are Job – Growth Leaders – Ontario, 1986-96



*High-tech/knowledge-intensive industries based on a weighted average of high-tech (determined by share of high-tech non-labour inputs) and knowledge-intensive (determined by share of weeks worked by university graduates). Commercial sector only.
Sources: Department of Finance Canada and Ontario Ministry of Finance.

- The job creation payoffs from innovation and R&D are substantial. During the last 10 years, two of every three new jobs in Ontario were created in knowledge- and technology-based industries.

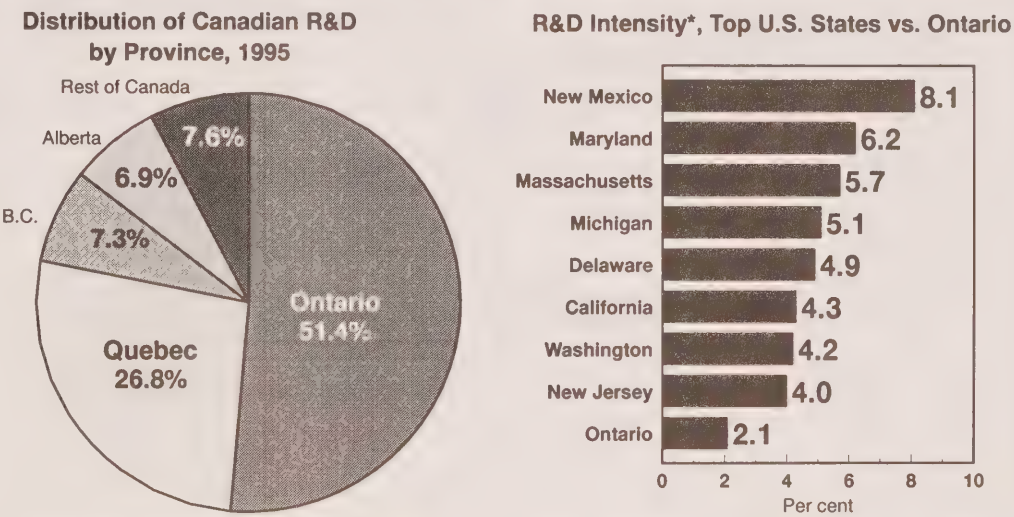
Building an Innovative Economy:

Ontario is Canada's R&D Leader

Ontario is the most R&D-intensive economy in Canada, with a 2.1 per cent ratio of R&D to GDP.

According to a 1997 study by the Conference Board of Canada, Ontario ranks as the second most competitive jurisdiction among OECD countries for R&D performed by manufacturing firms.

Ontario is Canada's R&D Leader...But Lags Behind U.S. States



Source: Statistics Canada and National Science Foundation.

*R&D as a share of output. 1995 for Ontario and 1993 for U.S. States

- Over half of Canadian R&D is performed in Ontario. In 1995, $6.5 billion of R&D was carried out in Ontario, more than in the rest of Canada combined.

- Although it is Canada's most R&D-intensive province, Ontario lags the most R&D-intensive U.S. states. New Jersey, the eighth most R&D-intensive state in the United States, spends nearly two percentage points more of its output on R&D than Ontario.

Building an Innovative Economy:

Policy Support for Innovation

An innovative economy is built from productive relationships among successful companies, providers of financing, highly skilled people and world-class research institutions.

Growing Innovative Companies

KEY MEASURES

- Ontario R&D Super Allowance
- Ontario Innovation Tax Credit
- Telecommunications Access Partnerships
- Capital tax exemption for R&D and intellectual property
- 20% tax credit for computer animation
- 100% write-off for acquiring intellectual property
- Elimination of the add-back rule on foreign technology

Financing Innovation

KEY MEASURES

- Small Business Investment Tax Credit For Financial Institutions
- Community Small Business Investment Funds
- Support for venture capital through LSIFs

KEY MEASURES

- Grants to universities and colleges
- Ontario Student Opportunity Trust Funds
- Increase in Ontario Student Assistance Program
- Co-operative Education Tax Credit
- Apprenticeship Reform
- Graduate Transitions Tax Credit
- Co-operative Education Tax Credit for leading-edge technology programs

Highly Skilled People

KEY MEASURES

- R&D Challenge Fund
- Renewal of the Ontario Centres of Excellence
- Research grants and contracts to universities and other research institutions
- University Research Infrastructure/Overheads Envelope
- Business-Research Institute Tax Credit
- Animation, Communications Design and Technology Centre at Sheridan College

World-Class Research Institutions

- ♦ Ontario has a wide variety of measures in place to support innovation.
- ♦ The Province has recently taken steps to strengthen university-industry partnerships — by creating a new $3 billion R&D Challenge Fund, renewing the Ontario Centres of Excellence and introducing a new Ontario Business-Research Institute Tax Credit.

E. Ontario's Fiscal Plan

Introduction

When the Government assumed office in June 1995, Ontario was facing a serious fiscal situation. The potential deficit was projected at $11.3 billion, a level only marginally lower than the 1992-93 recession-year peak of $12.4 billion.

Ontario had recorded deficits of more than $10 billion in each of the four previous years, despite significant tax increases. Debt had more than doubled in the period 1990 to 1995, and tripled in the 10 years after 1985-86. Ontario's AAA credit rating was lost in May 1991, and was further downgraded by Standard & Poor's in both 1992 and 1993, and by Moody's in 1994.

In the past two years the Government has taken firm action to restore confidence in Ontario's finances. This has been accomplished by cutting taxes, by getting control of runaway spending, and by putting in place a Balanced Budget Plan with clear targets to eliminate the deficit by 2000-01.

The Government has also introduced needed reforms to restructure public institutions and change the way public services are delivered in Ontario. This restructuring has been supported by Provincial reinvestments in priority areas such as health care, education and municipalities, ensuring that in the future, services will be provided in a more efficient and effective manner.

This section will:
- report on Ontario's recent fiscal performance;
- provide an update on the Province's 1997-98 fiscal outlook based on results for the second quarter ending September 30, incorporating measures announced in the 1997 Ontario Economic Outlook and Fiscal Review; and
- review Ontario's debt management plan.

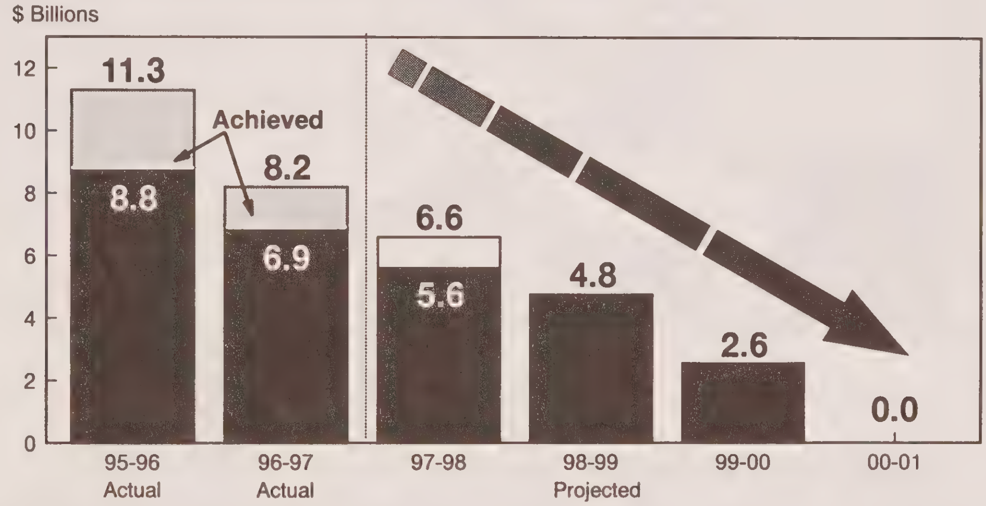
Restoring Ontario's Finances

A Clear and Workable Plan

The Balanced Budget Plan introduced in the November 1995 Fiscal and Economic Statement set out annual deficit targets for the Province, culminating in a balanced budget in 2000-01. The Government has exceeded its deficit targets in each of the first two years of the Plan and is on track to better its 1997-98 target.

Ontario's Balanced Budget Plan on Track

Medium-Term Deficit Targets



- As of September 30, the second-quarter forecast for the 1997-98 deficit is \$5.6 billion, \$988 million lower than the 1997 Budget forecast of \$6.6 billion.

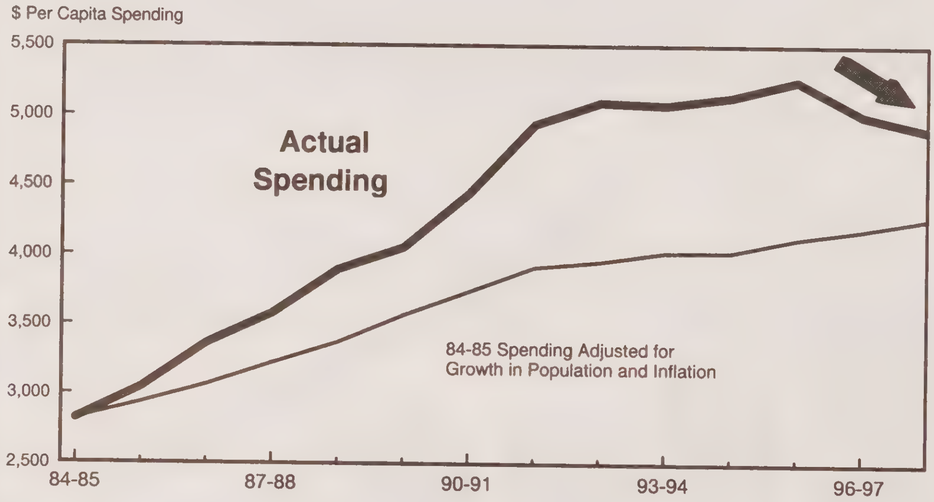
- Last year, the 1996-97 deficit was \$6.9 billion, \$1,275 million below the 1996 Budget target of \$8.2 billion.

- In 1995-96, the deficit at \$8.8 billion, was \$508 million lower than the \$9.3 billion target included in the November 1995 Statement, and well below the \$11.3 billion potential deficit facing the Government upon assuming office.

Controlling Spending

Since assuming office the Government has taken firm action to control spending. Between 1984-85 and 1995-96, Provincial spending per person almost doubled, growing much faster than the rate of inflation. With the measures taken to control spending since June 1995, the Government has reversed this trend.

Less Government, Lower Spending



- Government spending has been reduced in each of the past two years. Spending per person in 1997-98 will fall to $4,899, a decline of 2.1 per cent from 1996-97.

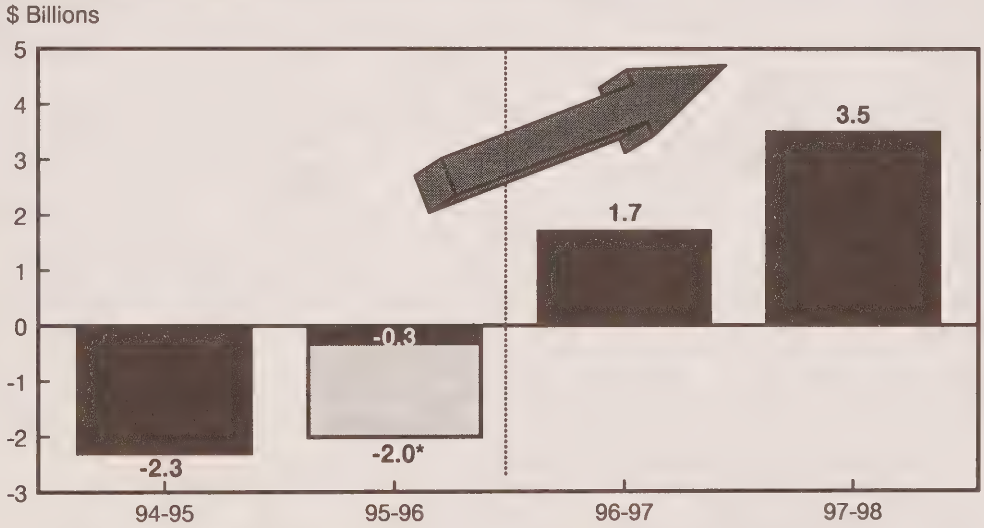
- Spending per person this year is down 6.7 per cent from the high of $5,251 recorded in 1995-96.

Achieving an Operating Surplus

When the Budget is balanced in 2000-01, Ontario's total spending will match revenue inflows. Working toward this objective, the Government has already achieved a significant fiscal milestone by recording an operating surplus last year.

The operating balance is an important fiscal measure used by the federal government. It is calculated as the difference between total government revenue and total spending on all programs, not including public debt interest. By achieving an operating surplus, the Government is no longer borrowing money to pay for ongoing programs.

Operating Balance Now in Surplus



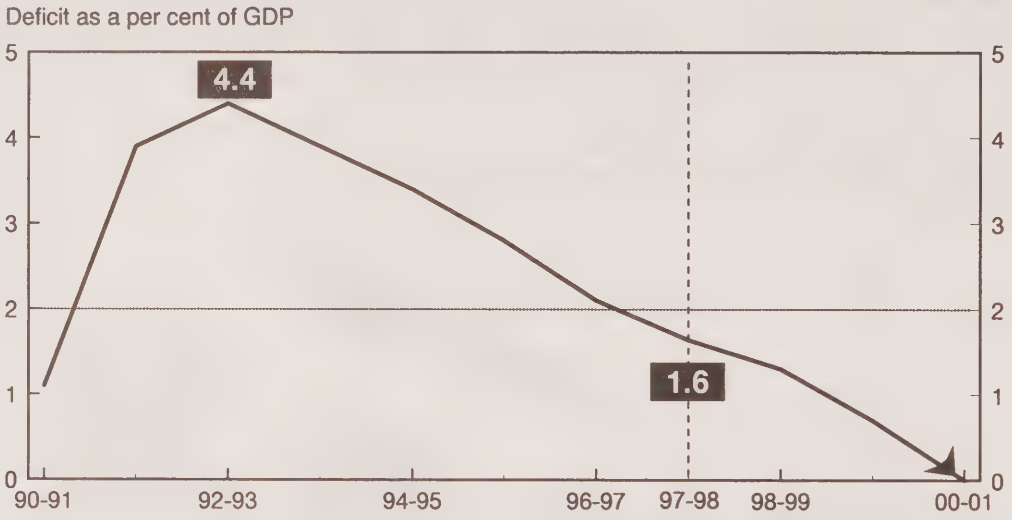
* Potential operating deficit of $2.0 billion when the government assumed office in June 1995.

- Ontario's operating surplus will grow from $1.7 billion in 1996-97 to $3.5 billion in 1997-98.
- The operating surplus achieved in 1996-97 was the first for the Province since 1990-91.

Deficit Below Two Per Cent of GDP

Ontario's deficit as a share of the economy is a further indicator of the significant improvement in Ontario's finances in recent years. This year, Ontario's deficit as a share of Gross Domestic Product (GDP) will decline to below two per cent.

Deficit Below 2% of GDP in 1997-98



- In the early 1990s, Ontario's deficit peaked at 4.4 per cent of GDP. In 1997-98, the ratio will decline to an estimated 1.6 per cent.

1997-98 Fiscal Outlook: Second-Quarter Update

1997-98 Fiscal Plan to be Overachieved

Ontario is on track to overachieve its deficit target for the third consecutive year. The 1997-98 deficit outlook at $5,592 million, as forecast for the second quarter ending on September 30, is $988 million lower than the 1997 Budget forecast of $6,580 million.

1997-98 Fiscal Performance
($ Millions)

	Budget Plan	Current Outlook*	In-Year Change
Revenue	48,400	50,300	1,900
Expense			
Programs	41,780	42,517	737
Restructuring and Other Charges	610	1,510	900
Total Program Expense	42,390	44,027	1,637
Capital	2,750	2,779	29
Public Debt Interest	9,190	9,086	(104)
Total Expense	54,330	55,892	1,562
Reserve	650	0	(650)
Deficit	**6,580**	**5,592**	**(988)**

* Second-quarter results as at September 30th

- In keeping with the Government's emphasis on prudent fiscal planning, and to ensure that sufficient funding is available to support the significant restructuring taking place in the province, the provision for Restructuring and Other Charges has been increased by $900 million to $1,510 million.

- The second-quarter fiscal outlook also incorporates adjustments to reflect local services realignment transition measures taken to ensure that there are no interruptions in services, and to allow municipalities to prepare to take on new administrative responsibilities. These adjustments have increased 1997-98 revenues by $580 million, and expenses by $577 million.

- The 1997 Budget Plan also included a $650 million reserve to protect the fiscal plan against unforeseen risks such as potential unexpected and adverse changes in the economic outlook. Based on the strong performance of the Ontario economy this year, the reserve will not be needed and has been applied to deficit reduction.

Investing in the Future

While the Government has overachieved on its deficit targets in the past two years and expects to do the same in 1997-98, it has also made significant investments to promote restructuring efforts. Restructuring charges in 1995-96 totalled $854 million and $2,430 million in 1996-97.

Given the continued large-scale restructuring taking place in the Province, the Government, as part of its prudent approach to fiscal planning, has increased its provision for potential Restructuring and Other Charges to $1,510 million this year, up from $610 million in the 1997 Budget.

This increased provision for 1997-98 Restructuring and Other Charges will ensure sufficient funding is available to cover potential restructuring charges and other necessary investments that may arise from the Government's efforts to ensure the efficient and effective delivery of public services.

Approved Restructuring and Other Charges totalling $252 million were announced this quarter. This includes $137 million in operating funds which have been reallocated from the Municipal Capital and Operating Restructuring Fund for the creation of the Special Circumstances Fund and the Special Transition Fund. A provision of $785 million remains unallocated.

1997-98 Restructuring and Other Charges ($ Millions)		
Changes This Quarter		
Special Circumstances Fund	77	
Special Transition Fund	75	
Municipal Restructuring Fund	50	
Highway Transfers	50	
Municipal Capital and Operating Restructuring Fund: Operating -- Reallocated	(137)	
Unallocated	785	
Increased Provision this Quarter		900
Previously Announced in Budget		
Hospital Restructuring		450
Municipal Capital and Operating Restructuring Fund: Operating		137
Municipal Capital and Operating Restructuring Fund: Housing		23
Total Provision for Restructuring and Other Charges		**1,510**

- A Special Circumstances Fund of $77 million will be used to recognize unique circumstances faced by some municipalities, including small, rural and northern municipalities, as part of local services realignment.

- A two-year $150 million Special Transition Fund has been established to assist municipalities during the transitional phase of local services realignment. The 1997-98 allocation is $75 million.

- $50 million has been allocated to the Municipal Restructuring Fund for specific restructuring initiatives in municipalities.

- In addition to previously announced funding, $50 million will be provided to municipalities for the transfer of highways that primarily serve local needs.

- The $785 million unallocated portion of the provision for Restructuring and Other Charges will be expensed and reported in Ontario Finances as further restructuring decisions are made by the Government over the course of this year.

- As part of a $2.7 billion plan to restructure community-based health care, the 1997 Ontario Budget provided $450 million for 1997-98 to implement the Health Services Restructuring Commission's recommendations. These restructuring charges include labour adjustment, renovations, and decommissioning and consolidation costs.

- The Budget Plan provided $137 million in operating funding this year for the Municipal Capital and Operating Restructuring Fund (MCORF). These funds have been reallocated as part of the creation of the Special Circumstances Fund and the Special Transition Fund.

- A total of $23 million was provided in the Budget Plan for MCORF for non-profit and co-operative housing. Over the past two years, a total of $173 million has been provided to assist non-profit and co-op housing providers in dealing with local services realignment.

Working with Municipalities

The goal of the local services realignment process is to reduce waste and duplication, improve accountability and provide better government services at a lower cost to Ontario taxpayers. Provincial and municipal services are being realigned in order to provide the best possible services at the lowest possible cost.

Responsibility for a number of programs will be transferred to municipalities as of January 1, 1998. Until municipalities have had time to take over the full management of these services, the Province will incur transitional expenditures to deliver these programs on their behalf. The legislation transferring responsibility for these expenditures to municipalities provides for the recovery of the transitional expenditure by the Province.

Local Services Realignment Transitional Measures: 1997-98 Impact on Fiscal Plan ($ Millions)

Changes This Quarter:		
Social Housing	216	
Social Assistance	199	
Public and Emergency Health Services*	106	
Property Assessment	21	
Other Programs	35	
Total Increase in Expenditures		577
Reimbursement of Expenditures from Municipalities	(564)	
Continued Administration of Provincial Offences Act	(16)	
Total Increase in Revenue		(580)
Net Impact on Deficit		**(3)**

* Of this amount, $56 million is a contingency provision for Public Health, which will be funded by municipalities as of January 1, 1998.

- The Province will continue to provide non-profit housing and Ontario Housing Corporation (OHC) operating subsidies and payments for the final quarter of 1997-98 totalling $213 million, and capital grants to the OHC of $3 million.

- The Province will provide $199 million to deliver the municipal share of Social Assistance and Child Care services under the new cost-sharing arrangements.

- Provincial expense is increased by $106 million for Public and Emergency Health Services, which will be transferred to municipalities. In cases where services are already delivered by municipalities, this is a contingency provision as these services will also be funded by municipalities as of January 1, 1998.

- Provincial expense will increase by $21 million as a result of the Province continuing to deliver Property Assessment services, which will be transferred to municipalities.

- The Province will also continue to deliver a number of smaller programs, including support for GO Transit and administration of the Provincial Offences Act, increasing expense by $35 million.

- Provincial revenues will increase by $580 million, including $564 million for reimbursements of expenditures from municipalities for these programs, and $16 million in increased Fines and Penalties due to continued administration of the Provincial Offences Act.

In-year Revenue Changes

The current outlook of $50,300 million is $1,900 million above the $48,400 million projection presented in the 1997 Budget and the First Quarter Ontario Finances. Most of the increase is a result of a $1,500 million increase in the tax revenue outlook, partially offset by lower transfers from the Government of Canada. This tax revenue gain is due to the strength of the economy in 1997 and the prudent nature of the Budget revenue projections. The revised revenue outlook continues to be cautious, given the strong underlying momentum of the Ontario economy.

The legislation transferring responsibility for a number of programs to municipalities provides for the recovery of transitional expenditures by the Province. Accordingly, revenues are higher by $580 million as a result of local services realignment transition measures. Reimbursement of expenditure from municipalities accounts for $564 million of this revenue increase. Local services realignment transition has also increased Fines and Penalties by $16 million while the Province continues to administer the Provincial Offences Act.

1997-98 Revenue Changes Since Budget
($ Millions)

Changes This Quarter:		
Taxation		
Personal Income Tax	1,140	
Retail Sales Tax	200	
Corporations Tax	100	
Land Transfer Tax	60	
Total Taxation		**1,500**
Government of Canada		
Canada Health and Social Transfer	(245)	
Other Federal Transfers	10	
Total Government of Canada		**(235)**
Other Revenue		
Local Services Realignment - Reimbursement of Expenditure	564	
Vehicle and Driver Registration Fees	55	
Fines and Penalties	16	
Total Other Revenue		**635**
Total In-Year Revenue Changes		**1,900**

- Personal Income Tax (PIT) revenue is $1,140 million above the Budget projection due to stronger 1997 economic growth and an increase in the estimate of 1996 PIT assessments, based on interim tax return processing information.

- The Retail Sales Tax projection has increased by $200 million over the Budget forecast as a result of growing domestic demand. The forecast for retail trade growth in 1997 has been revised upward from 4.0 per cent to 6.4 per cent.

- As a result of the strength of 1997 corporate profits, the Corporations Tax outlook has been increased by $100 million.

- The continued strong performance of the resale housing market boosted the projection for Land Transfer Tax by $60 million.

- Revenue from the Government of Canada is $235 million below the Budget Plan. This decrease is primarily due to lower Canada Health and Social Transfer (CHST) payments as a result of the increase in the Personal Income Tax outlook and federal data revisions to Ontario's total CHST entitlement and corporate taxable income.

- Other revenue has been boosted by the inclusion of $564 million for the reimbursement of the Province by municipalities for services delivered by the Province on their behalf during local services realignment transition.

- In accordance with the 1996-97 Public Accounts, Vehicle and Driver Registration Fees are now reported on a gross basis, including commissions paid to private licence issuers. As a result, the forecast of these Fees is increased by $55 million.

- Fines and Penalties are $16 million higher to reflect transition measures related to local services realignment, as the Province continues to administer the Provincial Offences Act.

In-year Operating Expense Changes

The current operating expense outlook has increased by $1,533 million from the 1997 Budget Plan and $1,538 million from first-quarter results to $53,113 million, mainly due to an increased provision for 1997-98 Restructuring and Other Charges and transitional local services realignment expense.

1997-98 Operating Expense Changes Since Budget ($ Millions)	
Changes This Quarter:	
Restructuring and Other Charges — Increase in Provision	900
Local Services Realignment Transition Measures — Operating	559
Broader Public Sector Proxy Pay Equity	140
Community Reinvestment Fund	75
Commissions paid to private licence operators	55
OPS/OPSEU Pension expense — Revised Estimate	36
Special Opportunity Grants	17
Increase in Education Other Programs	14
Alcohol and Gaming Commission — Amalgamation Costs	13
Teachers' Pension Plan — Revised Estimate	(190)
Legal Aid — Increase in 1996-97 Liability	(39)
Public Debt Interest — Lower Interest Rates	(72)
All Other Changes (Net)	30
Net Changes Reported in First Quarter Ontario Finances (e.g., extra forest firefighting, PDI savings)	(5)
Total In-Year Operating Expense Changes	**1,533**

- In recognition of the extent of restructuring taking place in the Province, the provision for Restructuring and Other Charges is being increased by $900 million to $1,510 million this quarter from the 1997 Budget Plan of $610 million.

- Local services realignment transition measures increased operating expense by $559 million. The Province will be reimbursed by municipalities for delivering these programs on their behalf in the final quarter of 1997-98.

- The Government will spend an additional $140 million this year for one-time retroactive pay equity costs for agencies using proxy comparisons.

- The Community Reinvestment Fund was increased by $75 million to $217 million for 1997-98. In total, $570 million will be available to municipalities in 1998 from the Community Reinvestment Fund.

- In keeping with the 1996-97 Public Accounts, commissions paid to private licence operators are now reported on a gross revenue and expense basis rather than netted off licence revenue, increasing expense by $55 million.

- Public Service and OPSEU Pension Plan expense increased $36 million due to more current financial information available from the pension plans.

- Special Opportunity Grants for students with disabilities increased $17 million. This expense is offset by revenue from the federal government.

- Education Other programs are up $14 million due to a decrease in the 1996-97 year-end liability.

- The amalgamation of the Liquor Licence Board and the Gaming Control Commission into one head office and several regional offices increased operating expense and one-time accommodation costs for the Alcohol and Gaming Commission by $13 million.

- Savings of $190 million in the Teachers' Pension Plan were based on more current information reflecting higher investment earnings.

- Savings of $39 million in the Legal Aid Plan are the result of an increase in the 1996-97 year-end liability.

- Additional public debt interest savings of $72 million from first-quarter results and $104 million from the 1997 Budget Plan, were realized to date as a result of interest rates remaining below the cautious Budget forecast assumptions.

In-year Capital Expense Changes

The current capital expense outlook has increased by $29 million from the 1997 Budget Plan and first-quarter results to $2,779 million.

1997-98 Capital Expense Changes Since Budget ($ Millions)	
Changes This Quarter:	
Local Services Realignment Transition Measures -- Capital	18
Developmental Services -- Facility Development	11
Total In-Year Capital Expense Changes	**29**

- Provincial capital expense increased $18 million as a result of local services realignment transitional measures. Capital transfers to GO Transit increased $15 million and transfers to the OHC increased $3 million. The Province will be reimbursed by municipalities for these expenses in the current fiscal year.

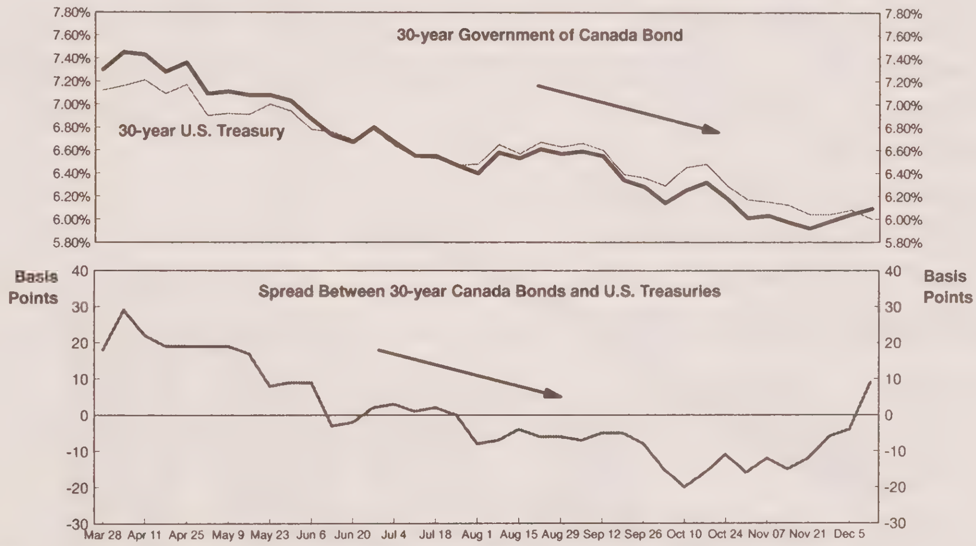
- An increase of $11 million was provided to community agencies on a one-time basis by the Ministry of Community and Social Services to fund the purchase and renovation of community-based residences to facilitate the transfer of developmental service clients out of large institutional settings.

Ontario's Debt Management Plan

Favourable Capital Markets Conditions Continue in 1997-98

Overall, conditions in bond markets have been favourable this year. Inflation has remained subdued despite stronger-than-anticipated economic growth in North America, and governments in both Canada and the United States have significantly bettered their deficit targets. Consequently, long-term interest rates are at levels not seen since the early 1960s.

Canada-U.S. Government Long-Term Bond Rates



- ♦ Interest rates are lower than expected by private-sector forecasters and significantly lower than the 1997 Budget assumption.
- ♦ 30-year Canadian bond rates have been lower than 30-year U.S. Treasury bonds for the first time on a sustained basis.
- ♦ This year, Ontario borrowed at the lowest 10- and 30-year rates since re-entering public markets in 1991.
  - – The Province is taking advantage of this favourable environment to secure long-term, cost-effective funding.

1997-98 Borrowing Program

The Province continues to enjoy positive investor reception and attractively priced access to capital markets worldwide.

Financial Summary
Borrowing Completed as of December 11, 1997
($ Billions)

	1997-98 Budget Plan	1997-98 Outlook
Cash Requirements	9.2	8.5
Maturities	5.4	5.4
Borrowing on Behalf of Agencies	0.6	0.6
Total Financing Requirements	15.2	14.5
Financed by:		
Decrease in Liquid Reserves	3.0	3.0
Other Sources	0.1	0.1
Increase in Short-Term Borrowing	1.5	1.0
Long-Term Borrowing Planned	9.9	2.6
Long-Term Borrowing Completed	0.7	7.8
Total Financing Requirements	**15.2**	**14.5**

- Total financing requirements have declined from $15.2 billion to $14.5 billion, or $0.7 billion ($712 million), due to the decline in the deficit.

- Total proceeds from borrowing done to date this fiscal year are $7.8 billion. Over 80 per cent of Ontario's long-term borrowing, or $6.4 billion, was raised from the Canadian domestic market. This includes over $1.5 billion from the third successful Ontario Savings Bond campaign.

- The Province also issued a French Franc Eurobond for $715 million, as well as four Japanese Yen issues, for a total of $713 million.

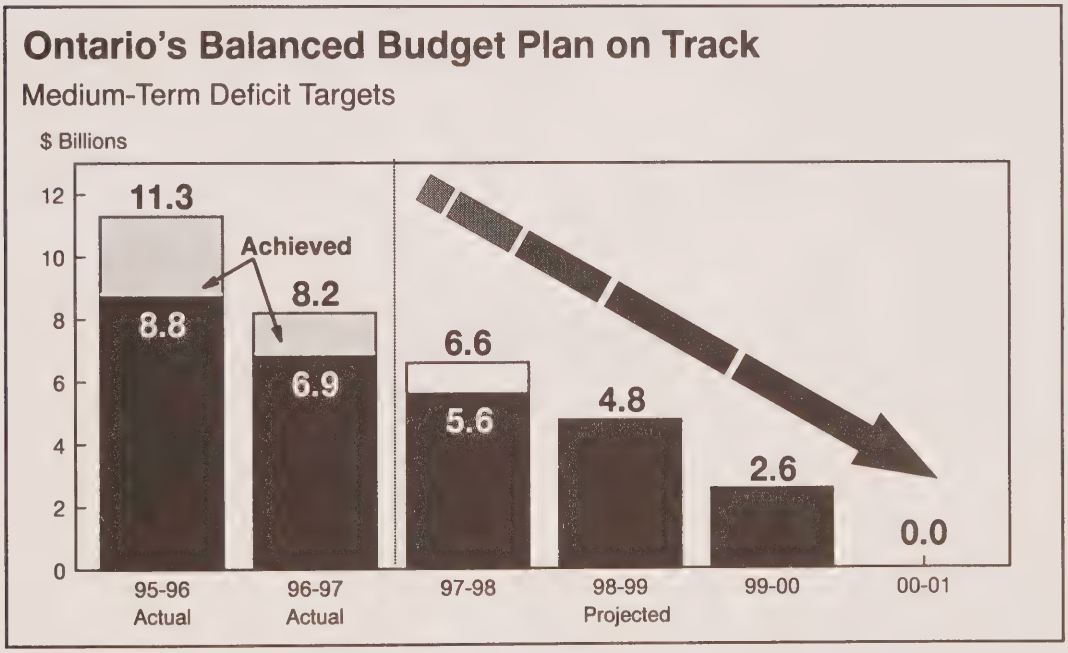
- The domestic market will remain the core source of funding for the Province. Foreign markets will be accessed when cost-effective borrowing opportunities arise.

- As a result of the Government's Balanced Budget Plan, the growth in Ontario's debt will stop in 2000-01 at $117 billion.

Conclusion

Confidence in Ontario's finances is being restored. The Government's Balanced Budget Plan sets out clear targets and a plan for achieving a zero deficit. In the first two years of the Plan, deficit targets have been met and, in fact, overachieved, and the Government is on track to once again better its target in 1997-98.

Ontario's fiscal environment is now one of stability and continuous improvement. The Government's commitment to the Balanced Budget Plan is yielding tangible results and will ensure that necessary programs and services are affordable and available for future generations.



Appendices

Financial Tables and Graphs

Statement of Financial Transactions **Table E1**
($ Millions)

	Actual 1993-94	Actual 1994-95	Actual 1995-96	Actual 1996-97	Outlook* 1997-98
Revenue	43,674	46,039	49,473	49,450	50,300
Expense					
Programs	44,195	44,505	45,309	42,581	42,517
Restructuring and Other Charges			854	2,430	1,510
Total Program Expense	44,195	44,505	46,163	45,011	44,027
Capital	3,552	3,831	3,635	2,737	2,779
Public Debt Interest	7,129	7,832	8,475	8,607	9,086
Total Expense	54,876	56,168	58,273	56,355	55,892
Reserve	-	-	-	-	-
Deficit	**11,202**	**10,129**	**8,800**	**6,905**	**5,592**

* Second Quarter results as at September 30th, and incorporating measures announced in the 1997 Ontario Economic Outlook and Fiscal Review

Ontario Opportunities Fund **Table E2**
($ Millions)

		1996-97
Provincial Purposes Debt at April 1, 1996		101,396
Add: Borrowing requirements to finance projected deficit of $8,180 million and investments in agencies	7,131	
Decrease in liquid reserves	(5,741)	
Increase in debt:		1,390
Debt before Ontario Opportunities Fund		102,786
Less:		
Ontario Opportunities Fund		
Over-achievement in 1996-97 deficit target (including proceeds from major asset sales and contributions from Ontarians*)	1,275	
Fund Balance Applied to Debt Reduction		(1,275)
Provincial Purpose Debt at March 31, 1997		101,511

* There were no major asset sales in 1996-97. Contributions from Ontarians amounted to $7,770 in 1996-97.

Revenue
($ Millions) **Table E3**

	Actual 1993-94	Actual 1994-95	Actual 1995-96	Actual 1996-97	Outlook 1997-98
Taxation Revenue					
Personal Income Tax	14,723	14,758	15,633	16,357	15,630
Retail Sales Tax	8,124	9,090	9,424	9,964	10,590
Corporations Tax	3,447	4,557	5,174	5,852	6,550
Employer Health Tax	2,665	2,640	2,695	2,772	2,640
Gasoline Tax	1,907	1,939	1,944	1,951	1,970
Fuel Tax	460	495	500	540	545
Tobacco Tax	724	322	337	356	415
Land Transfer Tax	321	372	342	444	510
Mining Profits Tax	85	86	71	54	60
Race Tracks Tax	76	84	92	46	10
Preferred Share Dividends Tax	59	56	65	73	60
Other Taxation	68	60	39	57	25
	32,659	**34,459**	**36,316**	**38,466**	**39,005**
Government of Canada					
Canada Health and Social Transfer	-	-	-	4,814	3,960
Established Programs Financing	3,790	4,059	3,820	-	-
Canada Assistance Plan	2,399	2,577	2,508	-	-
Fiscal Stabilization	227	184	367	-	-
National Training Act	76	75	55	37	-
Bilingualism Development	70	65	62	44	48
Young Offenders	59	82	61	59	59
Vocational Rehabilitation	65	61	63	65	64
Canada-Ontario Infrastructure Works	-	159	350	142	201
Social Housing	-	-	384	341	476
Other	385	345	210	276	252
	7,071	**7,607**	**7,880**	**5,778**	**5,060**
Income from Government Enterprises					
Ontario Lottery Corporation	602	631	651	654	785
Liquor Control Board of Ontario	599	637	667	701	730
Ontario Casino Corporation	-	316	422	594	740
Ontario Housing Corporation	(277)	(273)	-	-	-
GO Transit	(136)	(166)	-	-	-
Other	(23)	(77)	(10)	10	65
	765	**1,068**	**1,730**	**1,959**	**2,320**
Other Revenue					
Vehicle/Driver Registration Fees	695	751	736	816	860
Other Fees and Licences	663	686	631	624	625
Liquor Licence Board of Ontario Revenues	522	532	530	520	525
Royalties	239	223	263	264	225
Sales and Rentals	486	98	497	543	445
Fines and Penalties	141	163	143	157	106
Local Services Realignment-Reimbursement of Expenditure	-	-	-	-	564
Miscellaneous	433	452	747	323	565
	3,179	**2,905**	**3,547**	**3,247**	**3,915**
Total Revenue	43,674	46,039	49,473	49,450	50,300

Operating Expense **Table E4**
($ Millions)

Ministry	Actual 1993-94	Actual 1994-95	Actual 1995-96	Actual 1996-97	Outlook 1997-98
Agriculture, Food and Rural Affairs	474	383	400	412	405
Crop Insurance Claims	59	26	20	62	45
Attorney General	827	830	1,085	638	645
Board of Internal Economy	137	135	206	124	114
Citizenship, Culture and Recreation	370	408	363	302	283
Community and Social Services	9,165	9,364	8,816	7,965	8,063
Consumer and Commercial Relations	175	150	140	123	108
Economic Development, Trade and Tourism	416	463	385	245	207
Education and Training	8,691	8,357	8,390	8,075	7,766
Teachers' Pension Plan	467	643	812	683	555
Energy, Science and Technology*	16	14	13	11	11
Environment*	374	258	226	146	139
Executive Offices	13	10	13	13	13
Finance - Own Account	636	425	701	435	466
Public Debt Interest	7,129	7,832	8,475	8,607	9,086
Community Reinvestment Fund	-	-	-	-	217
Restructuring and Other Charges - Unallocated	-	-	-	-	785
Special Transition Fund	-	-	-	-	75
Special Circumstances Fund	-	-	-	-	77
Health	17,375	17,599	17,607	17,760	17,951
Health Care Restructuring	-	-	-	970	450
Intergovernmental Affairs	7	6	5	4	4
Labour	180	135	135	103	106
Management Board Secretariat	116	823	554	712	361
Public Service/OPSEU Pension Plan	737	682	685	94	181
Contingency Fund	-	-	-	-	467
Employee Severance	-	-	400	438	-
Municipal Affairs and Housing	1,559	1,487	2,421	2,456	2,240
Municipal Capital and Operating Restructuring Fund	-	-	-	150	23
Municipal Restructuring Fund	-	-	-	-	50
Native Affairs Secretariat	14	16	16	17	10
Natural Resources	502	478	519	417	415
Northern Development and Mines	83	54	66	52	42
Office of Francophone Affairs	3	3	2	2	2
Office Responsible for Women's Issues	23	22	18	14	20
Solicitor General and Correctional Services	1,168	1,136	1,111	1,159	1,098
Transportation	608	598	1,054	879	783
Restructuring/ Municipal Capital and Operating Restructuring Fund	-	-	-	550	50
Year-End Savings	-	-	-	-	(200)
Total Operating Expense	**51,324**	**52,337**	**54,638**	**53,618**	**53,113**

* Interim allocation pending ministry restructuring which is currently underway

Capital Expense **Table E5**
($ Millions)

Ministry	Actual 1993-94	Actual 1994-95	Actual 1995-96	Actual 1996-97	Outlook 1997-98
Agriculture, Food and Rural Affairs	13	12	5	-	-
Attorney General	3	4	-	20	53
Citizenship, Culture and Recreation	28	42	29	9	4
Community and Social Services	77	72	14	116	31
Economic Development, Trade and Tourism	113	117	113	11	-
Education and Training	432	421	559	199	450
Environment	162	271	238	225	154
Municipal Capital and Operating Restructuring Fund	-	-	-	-	40
Finance	3	3	1	18	-
Health	309	249	168	175	242
Management Board Secretariat	169	260	272	152	46
Municipal Affairs and Housing	96	310	628	313	311
Native Affairs Secretariat	15	17	9	13	12
Natural Resources	95	54	47	33	25
Northern Development and Mines	208	240	163	168	193
Solicitor General and Correctional Services	5	2	2	6	13
Transportation	1,824	1,757	1,387	1,279	1,205
Total Capital Expense	**3,552**	**3,831**	**3,635**	**2,737**	**2,779**

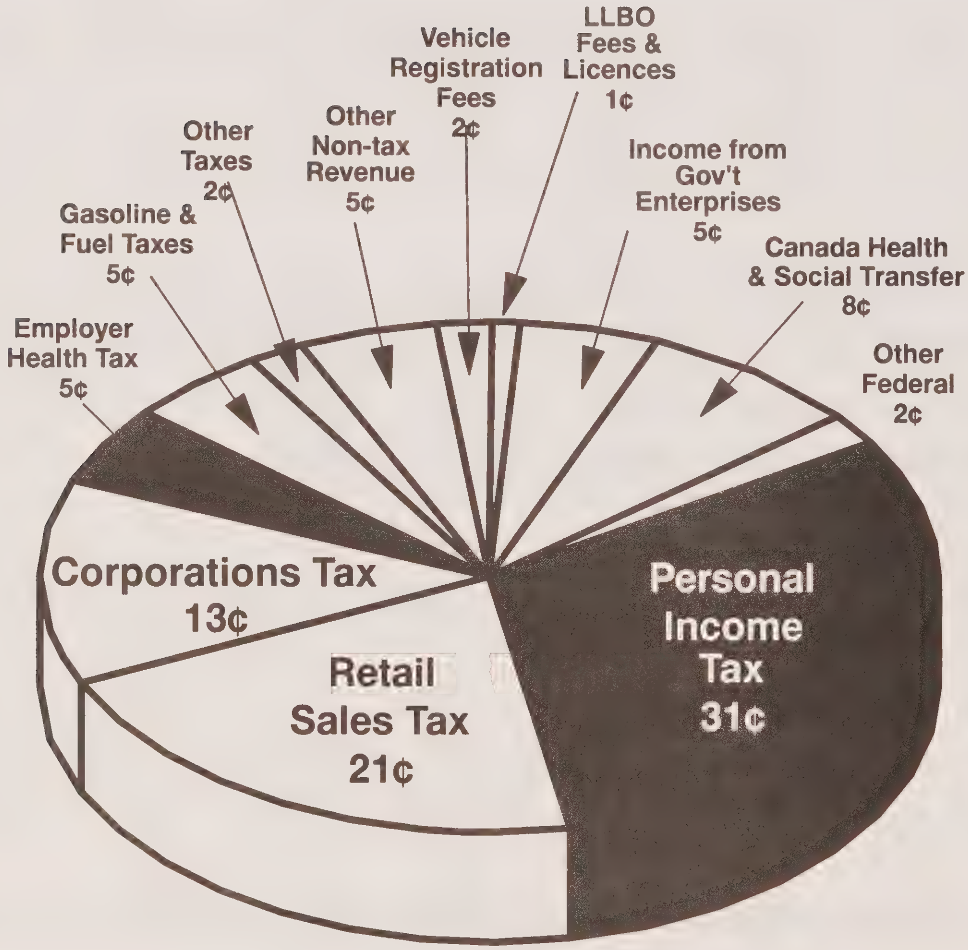
Ten-Year Review of Selected Financial and Economic Statistics ($ Millions)

	Modified Cash Basis		
	1988-89	1989-90	1990-91
Financial Transactions			
Revenue	36,991	41,225	42,892
Expense			
Programs	31,435	33,926	38,924
Restructuring and Other Charges	-	-	-
Total Program Expense	31,435	33,926	38,924
Capital	3,268	3,392	3,221
Public Debt Interest	3,767	3,817	3,776
Total Expense	38,470	41,135	45,921
Reserve	-	-	-
Deficit/(Surplus)	**1,479**	**(90)**	**3,029**
Provincial Purpose Debt	**39,014**	**39,256**	**42,257**
Gross Domestic Product (GDP) at Market Prices	253,143	276,073	277,508
Personal Income	206,780	226,707	239,036
Population - July (000s)	9,884	10,151	10,341
Total Debt per Capita (dollars)	3,947	3,867	4,086
Personal Income per Capita (dollars)	20,921	22,333	23,115
Total Expense as a per cent of GDP	15.2	14.9	16.5
Public Debt Interest as a per cent of Revenue	10.2	9.3	8.8
Total Debt as a per cent of GDP	15.4	14.2	15.2
Cumulative Net Borrowing for Ontario Hydro			
U.S.	5,692	5,150	5,049
C.P.P.	2,097	2,748	2,748
Contingent Liability (mainly Ontario Hydro)	20,559	21,490	26,009

Table E6

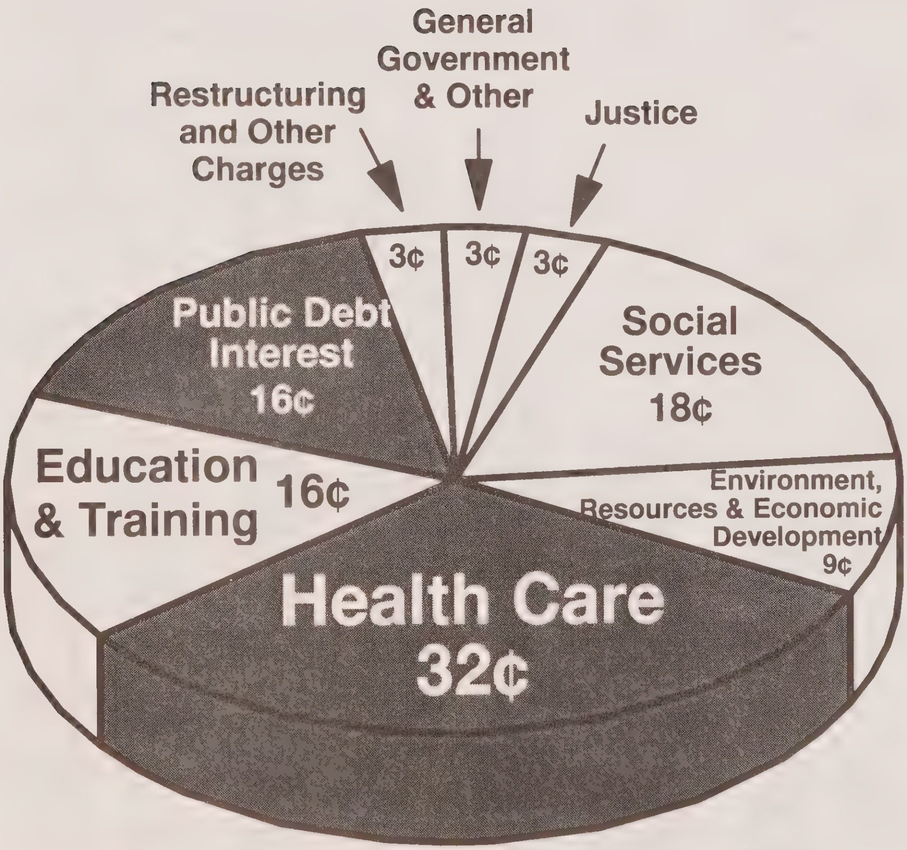
		PSAAB Basis				
					Actual	Outlook
1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98
40,753	41,807	43,674	46,039	49,473	49,450	50,300
43,613	45,350	44,195	44,505	45,309	42,581	42,517
-	-	-	-	854	2,430	1,510
43,613	45,350	44,195	44,505	46,163	45,011	44,027
3,874	3,592	3,552	3,831	3,635	2,737	2,779
4,196	5,293	7,129	7,832	8,475	8,607	9,086
51,683	54,235	54,876	56,168	58,273	56,355	55,892
-	-	-	-	-	-	-
10,930	**12,428**	**11,202**	**10,129**	**8,800**	**6,905**	**5,592**
53,083	**68,607**	**79,439**	**88,580**	**101,396**	**101,511**	**107,559**
278,463	282,803	288,569	300,827	314,077	323,027	341,348
245,763	250,928	253,217	256,841	265,088	269,031	277,790
10,471	10,647	10,814	10,937	11,098	11,258	11,408
5,070	6,444	7,346	8,099	9,136	9,017	9,428
23,471	23,568	23,416	23,484	23,886	23,897	24,350
18.6	19.2	19.0	18.7	18.6	17.4	16.4
10.3	12.7	16.3	17.0	17.1	17.4	18.1
19.1	24.3	27.5	29.4	32.3	31.4	31.5
4,185	3,969	1,789	1,087	1,060	392	N/A
2,748	2,748	2,748	2,748	2,748	2,748	N/A
30,369	34,657	34,008	33,782	31,590	31,786	N/A

The Budget Dollar: Revenue 1997-98



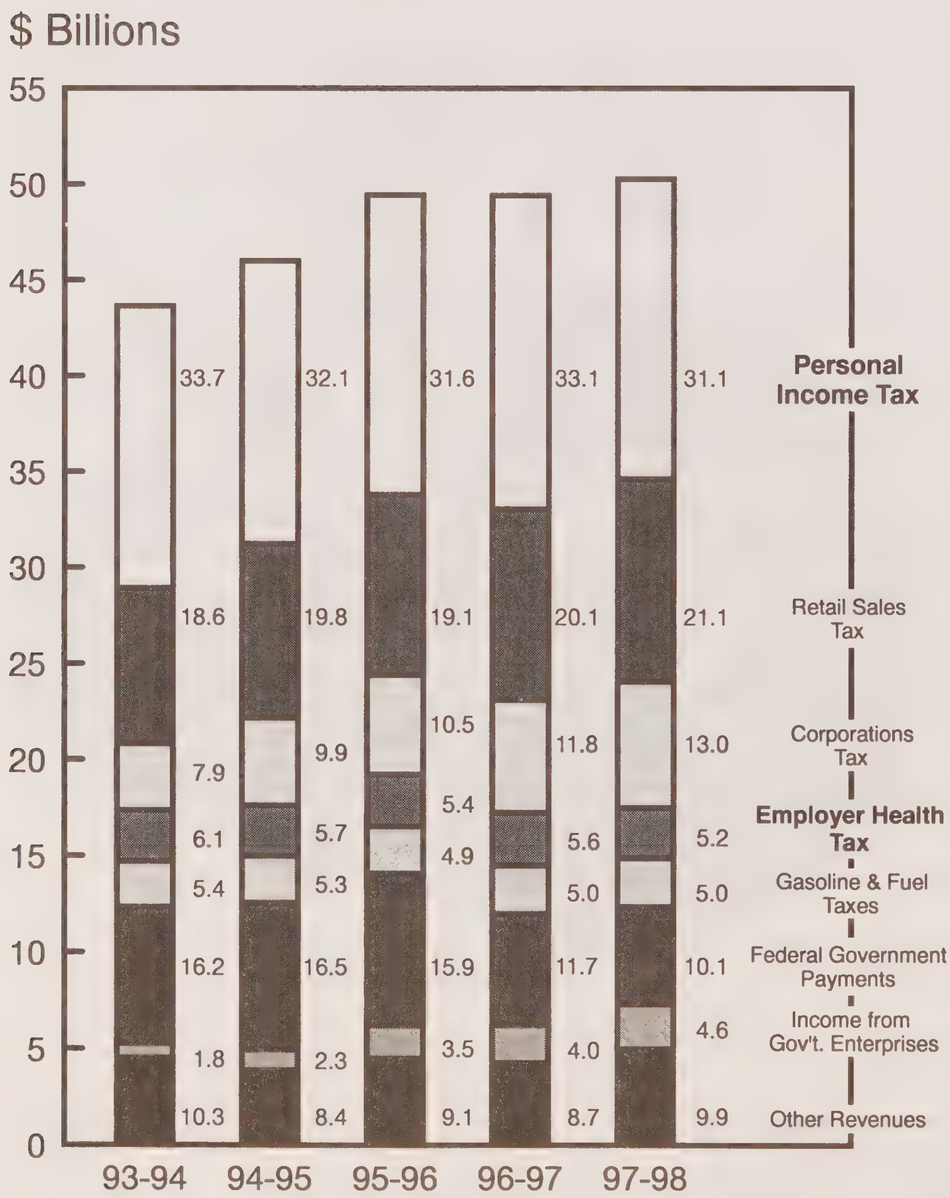
* As at September 30th

The Budget Dollar: Total Expense 1997-98

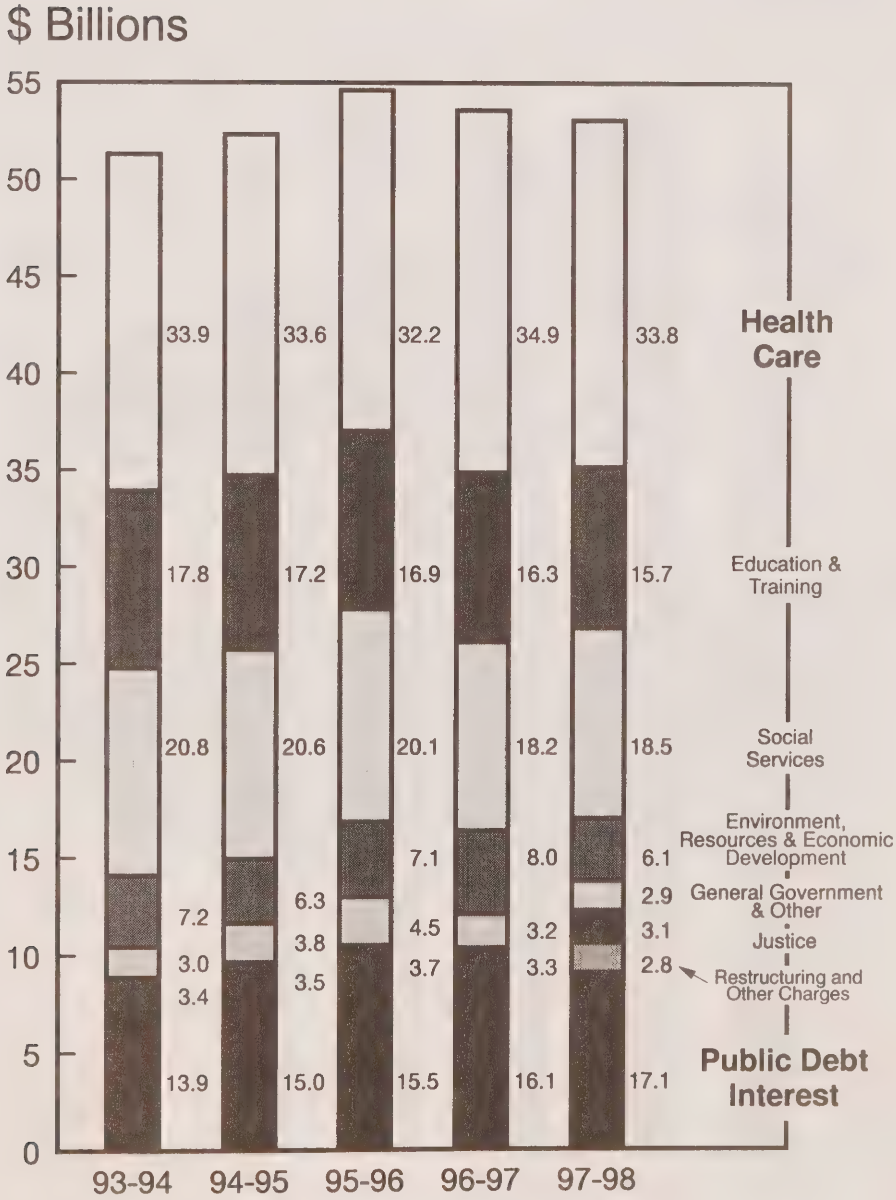


* As at September 30th

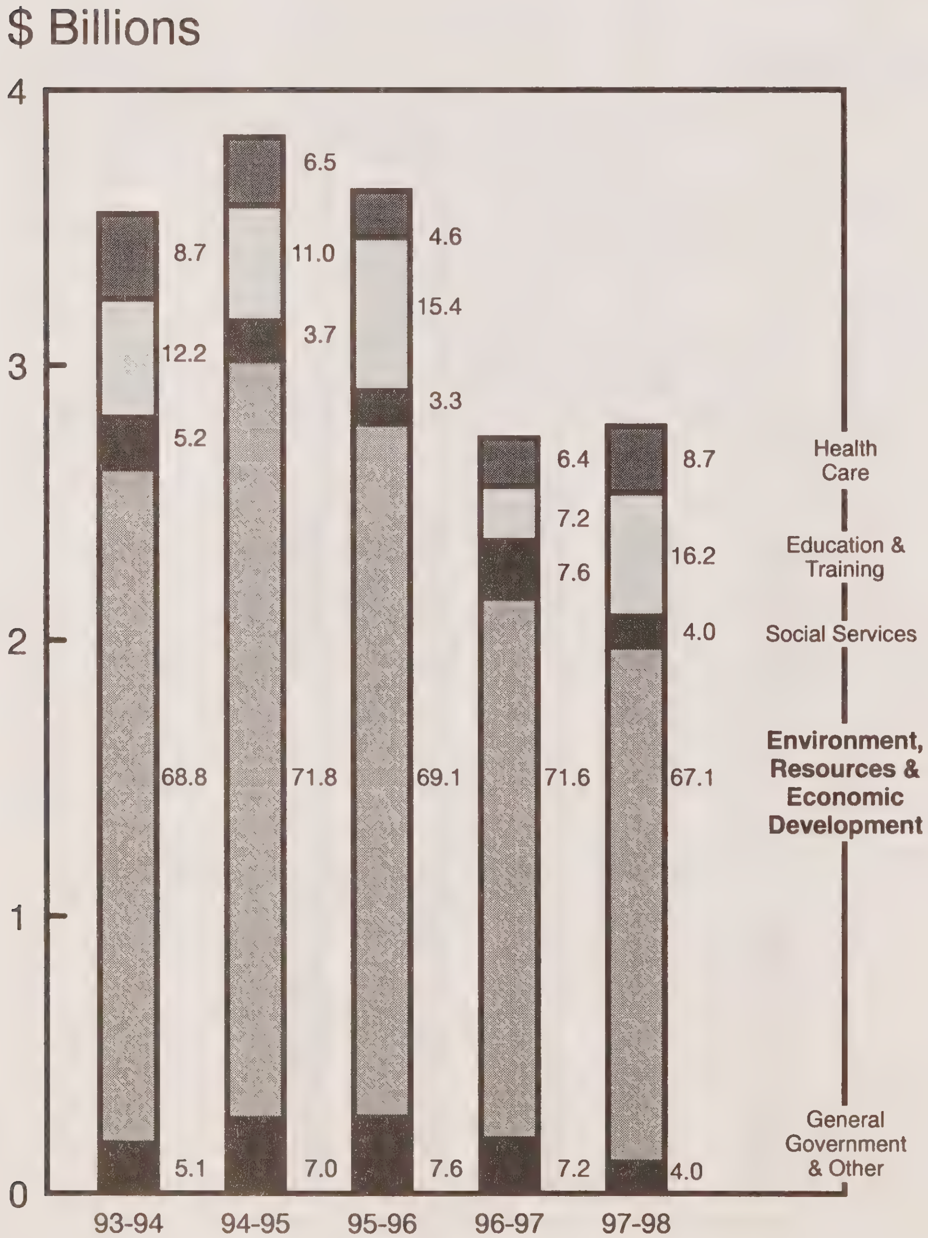
Revenue Sources By Category: Per Cent of Total 1993-94 to 1997-98



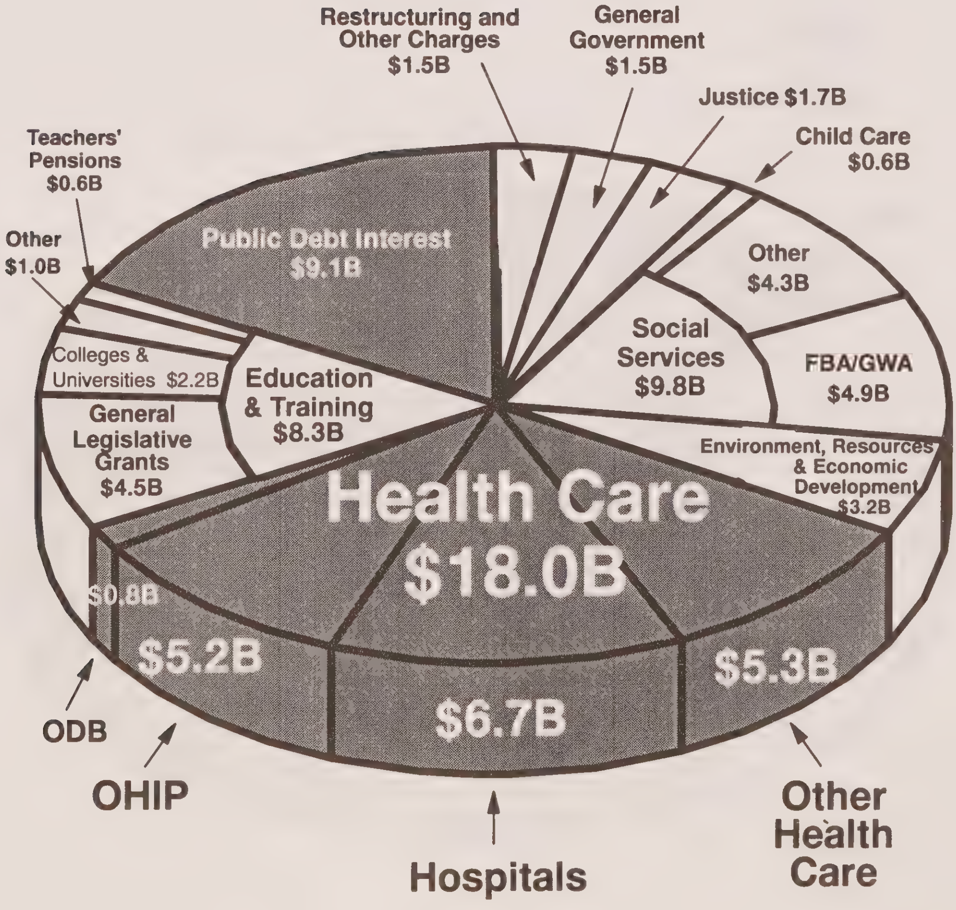
Operating Expense by Category Per Cent of Total 1993-94 to 1997-98



Capital Expense by Category
Per Cent of Total
1993-94 to 1997-98

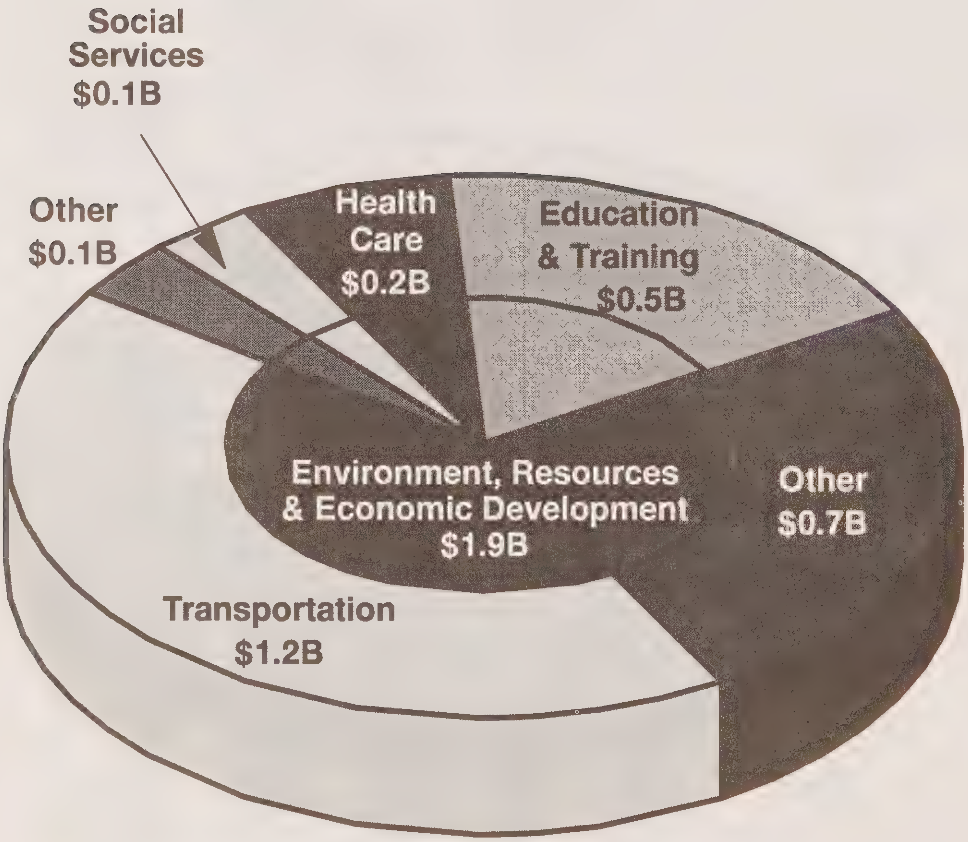


1997-98 Operating Expense by Sector ($ Billion)



* As at September 30th

1997-98 Capital Expense by Sector ($ Billion)



* As at September 30th

Economic Data Tables

LIST OF TABLES

Ontario Economy

Table Numbers

G-7 Comparison

Ontario, International Merchandise Trade

Canada, International Merchanise Trade

LIST OF TABLES (Cont'd)

Demographic Characteristics

Ontario Labour Markets

Canada Labour Markets

Economic Regions by Census Division

Ontario Labour Force Survey Regions

(Note: Data in the tables may not add to totals due to rounding.)

Table 1 **The Ontario Economy, 1994-1999**

	($ 1986 billions)					
	Actual			Projected		
	1994	1995	1996	1997	1998	1999
Real Gross Domestic Product	**237.4**	**245.8**	**249.1**	**260.0**	**269.1**	**277.5**
Consumption	136.8	138.6	141.1	147.0	151.9	156.1
Government	49.8	50.1	48.4	47.5	46.7	46.5
Residential Construction	11.4	9.7	11.0	13.1	14.5	15.4
Non-Residential Construction	5.2	5.0	5.3	5.6	6.1	6.5
Machinery and Equipment	24.2	27.6	31.3	36.8	40.3	43.1
Exports	160.1	179.7	185.6	198.9	211.7	222.6
Imports	151.2	167.1	172.2	189.1	202.0	212.6
Nominal Gross Domestic Product ($ billions)	**300.8**	**314.1**	**323.0**	**341.3**	**359.3**	**377.3**
Other Economic Indicators						
Retail Sales	76.0	78.4	78.6	83.7	87.7	91.9
Housing Starts - Units (000s)	46.6	35.8	43.1	55.6	62.3	65.3
Personal Income ($ billions)	256.8	265.1	269.0	277.8	290.5	304.0
Pre-Tax Corporate Profits	24.5	28.4	28.4	35.1	37.5	39.6
Consumer Price Index (1986=100)	131.3	134.5	136.6	139.2	141.5	144.1
Unemployment Rate (%)	9.6	8.7	9.1	8.5	7.8-8.2	7.6-8.0

Sources: Statistics Canada and Ontario Ministry of Finance.

Table 2 **The Ontario Economy, Annual Change, 1994-1999**

	(per cent change)					
	Actual			Projected		
	1994	1995	1996	1997	1998	1999
Real Gross Domestic Product	**4.6**	**3.5**	**1.3**	**4.4**	**3.5**	**3.1**
Consumption	2.7	1.3	1.8	4.1	3.3	2.8
Government	-0.8	0.6	-3.3	-1.9	-1.7	-0.5
Residential Construction	2.4	-15.3	13.5	19.6	10.4	6.3
Non-Residential Construction	-16.9	-4.5	6.7	5.1	8.3	6.3
Machinery and Equipment	16.0	14.2	13.2	17.7	9.5	6.9
Exports	10.7	12.2	3.3	7.2	6.4	5.2
Imports	10.0	10.5	3.0	9.8	6.8	5.2
Nominal Gross Domestic Product	**4.2**	**4.4**	**2.8**	**5.7**	**5.3**	**5.0**
Other Economic Indicators						
Retail Sales	6.7	3.1	0.3	6.4	4.8	4.7
Housing Starts	3.3	-23.2	20.2	29.1	12.1	4.8
Personal Income	1.4	3.2	1.5	3.3	4.6	4.6
Pre-Tax Corporate Profits	29.4	15.8	0.1	23.5	7.0	5.5
Consumer Price Index	0.1	2.4	1.6	1.9	1.7	1.8
Employment	1.4	1.4	1.5	1.9	2.8-3.5	2.5-3.0

Sources: Statistics Canada and Ontario Ministry of Finance.

Table 3 Ontario, Gross Domestic Product, 1983-1996

(billions of dollars)	1983	1984	1985	1986	1987	1988	1989
Real Gross Domestic Product ($1986)	**173.0**	**187.9**	**195.7**	**205.6**	**214.8**	**227.6**	**235.0**
Consumption	97.7	102.9	108.9	115.0	121.2	127.8	132.5
Government	35.9	37.2	38.9	38.9	40.7	42.9	45.1
Residential Construction	9.5	10.3	11.5	13.2	15.1	15.8	17.3
Non-Residential Construction	5.6	6.5	7.3	8.3	9.2	10.0	10.9
Machinery and Equipment	9.7	10.3	12.2	15.3	17.3	20.1	20.5
Exports	91.2	104.0	109.4	113.5	116.0	126.8	131.6
Imports	74.0	84.3	91.9	97.6	105.0	118.2	123.7
Nominal Gross Domestic Product	**152.0**	**170.4**	**185.6**	**205.6**	**226.8**	**253.1**	**276.1**

Table 3 (continued)

(billions of dollars)	1990	1991	1992	1993	1994	1995	1996
Real Gross Domestic Product ($1986)	**229.4**	**222.1**	**224.3**	**227.0**	**237.4**	**245.8**	**249.1**
Consumption	132.8	130.3	131.7	133.1	136.8	138.6	141.1
Government	47.9	50.2	50.9	50.2	49.8	50.1	48.4
Residential Construction	13.6	11.8	12.0	11.2	11.4	9.7	11.0
Non-Residential Construction	10.0	9.6	7.9	6.3	5.2	5.0	5.3
Machinery and Equipment	19.6	19.2	20.0	20.8	24.2	27.6	31.3
Exports	130.6	126.1	133.7	144.7	160.1	179.7	185.6
Imports	122.1	121.5	128.7	137.4	151.2	167.1	172.2
Nominal Gross Domestic Product	**277.5**	**278.5**	**282.8**	**288.6**	**300.8**	**314.1**	**323.0**

Sources: Statistics Canada and Ontario Ministry of Finance.

Table 4 Ontario, Growth in Gross Domestic Product, 1983-1996

(per cent change)

	1983	1984	1985	1986	1987	1988	1989
Real Gross Domestic Product ($1986)	**6.8**	**8.7**	**4.1**	**5.1**	**4.5**	**5.9**	**3.3**
Consumption	4.5	5.3	5.9	5.5	5.4	5.5	3.7
Government	0.3	3.4	4.6	0.1	4.7	5.4	5.0
Residential Construction	25.1	7.4	11.7	15.4	14.5	4.6	9.2
Non-Residential Construction	-8.3	15.9	11.6	14.1	10.2	9.7	8.3
Machinery and Equipment	6.0	6.1	19.2	25.1	12.9	16.5	2.1
Exports	7.8	14.1	5.2	3.8	2.2	9.3	3.7
Imports	9.2	14.0	9.0	6.2	7.6	12.6	4.6
Nominal Gross Domestic Product	**12.0**	**12.1**	**8.9**	**10.8**	**10.3**	**11.6**	**9.1**

Table 4 (continued)

(per cent change)

	1990	1991	1992	1993	1994	1995	1996
Real Gross Domestic Product ($1986)	**-2.4**	**-3.2**	**1.0**	**1.2**	**4.6**	**3.5**	**1.3**
Consumption	0.2	-1.9	1.1	1.1	2.7	1.3	1.8
Government	6.1	4.9	1.3	-1.3	-0.8	0.6	-3.3
Residential Construction	-21.1	-13.8	2.4	-7.4	2.4	-15.3	13.5
Non-Residential Construction	-7.8	-4.4	-17.3	-20.5	-16.9	-4.5	6.7
Machinery and Equipment	-4.6	-1.8	4.2	4.0	16.0	14.2	13.2
Exports	-0.7	-3.5	6.1	8.2	10.7	12.2	3.3
Imports	-1.3	-0.5	6.0	6.7	10.0	10.5	3.0
Nominal Gross Domestic Product	**0.5**	**0.3**	**1.6**	**2.0**	**4.2**	**4.4**	**2.8**

Sources: Statistics Canada and Ontario Ministry of Finance.

Table 5 — Ontario, Selected Economic Indicators, 1983-1996

	1983	1984	1985	1986	1987	1988	1989
Retail Sales* ($ billions)	43.1	47.6	53.7	58.6	64.7	69.8	72.6
Housing Starts - Units (000s)	54.9	48.2	64.9	81.5	105.2	99.9	93.3
Personal Income ($ billions)	130.9	144.1	156.2	169.2	185.9	206.8	226.7
Pre-Tax Corporate Profits ($ billions)	14.2	18.1	19.5	21.1	25.2	29.4	27.5
Consumer Price Index (1986 = 100)	87.7	92.0	95.8	100.0	105.1	110.0	116.4
Labour Force (000s)	4,775	4,885	5,012	5,133	5,272	5,408	5,521
Employment (000s)	4,278	4,444	4,608	4,772	4,951	5,136	5,241
Unemployment Rate (%)	10.4	9.0	8.1	7.0	6.1	5.0	5.1

Table 5 (continued)

	1990	1991	1992	1993	1994	1995	1996
Retail Sales* ($ billions)	72.6	67.2	68.7	71.3	76.0	78.4	78.6
Housing Starts - Units (000s)	62.6	52.8	55.8	45.1	46.6	35.8	43.1
Personal Income ($ billions)	239.0	245.8	250.9	253.2	256.8	265.1	269.0
Pre-Tax Corporate Profits ($ billions)	19.7	15.9	16.0	18.9	24.5	28.4	28.4
Consumer Price Index (1986 = 100)	122.0	127.6	129.0	131.2	131.3	134.5	136.6
Labour Force (000s)	5,577	5,582	5,610	5,692	5,707	5,732	5,839
Employment (000s)	5,226	5,044	5,001	5,089	5,160	5,231	5,311
Unemployment Rate (%)	6.3	9.6	10.9	10.6	9.6	8.7	9.1

* Retail sales include Federal Sales Taxes up to 1990 but exclude GST after 1990.

Sources: Statistics Canada, Ontario Ministry of Finance and CMHC.

Table 6 Ontario, Economic Indicators, Annual Change, 1983-1996

(per cent change)

	1983	1984	1985	1986	1987	1988	1989
Retail Sales*	11.1	10.3	13.0	9.0	10.5	7.8	4.0
Housing Starts	42.6	-12.3	34.7	25.6	29.1	-5.0	-6.6
Personal Income	8.3	10.1	8.4	8.3	9.9	11.2	9.6
Pre-Tax Corporate Profits	53.9	27.3	8.0	7.8	19.6	16.6	-6.3
Consumer Price Index	6.2	4.9	4.1	4.4	5.1	4.7	5.8
Labour Force	1.6	2.3	2.6	2.4	2.7	2.6	2.1
Employment	0.8	3.9	3.7	3.6	3.8	3.7	2.0
Unemployment Rate	...	...	...	...	...	...	...

Table 6 (continued)

(per cent change)

	1990	1991	1992	1993	1994	1995	1996
Retail Sales*	0.0	-7.5	2.3	3.8	6.7	3.1	0.3
Housing Starts	-32.9	-15.7	5.6	-19.1	3.3	-23.2	20.2
Personal Income	5.4	2.8	2.1	0.9	1.4	3.2	1.5
Pre-Tax Corporate Profits	-28.3	-19.4	0.3	18.6	29.4	15.8	0.1
Consumer Price Index	4.8	4.6	1.1	1.7	0.1	2.4	1.6
Labour Force	1.0	0.1	0.5	1.5	0.3	0.4	1.9
Employment	-0.3	-3.5	-0.9	1.8	1.4	1.4	1.5
Unemployment Rate	...	...	...	...	...	...	...

* Retail sales include Federal Sales Taxes up to 1990 but exclude GST after 1990.

... Figures not appropriate or not applicable.

Sources: Statistics Canada, Ontario Ministry of Finance and CMHC.

Table 7 **Ontario, Real Gross Domestic Product by Industry[1], 1990-1996**

	(millions of dollars)			
	1990	1991	1992	1993
Goods Producing Industries	**69,853**	**65,303**	**65,452**	**66,512**
Primary Industries	5,444	5,064	5,006	5,093
Agriculture	2,557	2,442	2,431	2,543
Manufacturing[2]	47,731	43,901	45,034	47,040
Construction	12,005	11,035	10,282	9,135
Utilities	4,673	5,303	5,131	5,244
Services Producing Industries	**128,853**	**127,831**	**128,395**	**130,629**
Transportation, Storage and Communication	14,427	13,943	14,097	14,346
Transportation & Storage	7,472	6,722	6,706	6,762
Communication	6,955	7,221	7,391	7,584
Trade	24,328	23,282	23,546	24,428
Wholesale	12,366	12,061	12,252	12,959
Retail	11,962	11,221	11,295	11,470
Finance, Insurance and Real Estate	30,878	31,545	31,518	32,202
Community, Business and Personal Services	47,249	46,808	46,918	47,375
Education	10,683	10,947	11,125	11,250
Health & Social Services	12,522	12,917	12,882	12,883
Business Services	10,853	10,552	10,451	10,662
Accommodation, Food & Beverage Services	4,760	4,069	4,029	4,047
Amusement & Recreation	2,047	1,933	1,987	1,953
Personal & Household Services	3,593	3,409	3,339	3,389
Other Services	2,792	2,981	3,103	3,192
Government Services	11,970	12,254	12,316	12,279
Federal	5,760	5,909	6,024	6,021
Provincial	2,979	3,055	3,086	3,063
Local	3,231	3,290	3,206	3,195
Miscellaneous Industries	1,368	1,331	1,326	1,311
Total Production ($1986) at Factor Cost	**200,073**	**194,465**	**195,173**	**198,452**
Indirect Taxes Less Subsidies plus Miscellaneous Adjustments	29,317	27,641	29,157	28,502
Gross Domestic Product ($1986) at Market Prices	**229,390**	**222,106**	**224,330**	**226,954**

Table 7 (continued) **Ontario, Real Gross Domestic Product by Industry[1], 1990-1996**

	(millions of dollars)		
	1994	1995	1996
Goods Producing Industries	**71,391**	**74,368**	**74,654**
Primary Industries	5,236	5,362	5,435
Agriculture	2,819	2,854	2,869
Manufacturing[2]	51,365	54,783	55,091
Construction	9,283	8,773	8,707
Utilities	5,507	5,449	5,421
Services Producing Industries	**134,492**	**137,191**	**140,347**
Transportation, Storage and Communication	15,071	15,725	16,614
Transportation & Storage	7,032	7,157	7,421
Communication	8,039	8,568	9,193
Trade	26,456	27,246	28,119
Wholesale	14,386	15,068	16,030
Retail	12,070	12,179	12,089
Finance, Insurance and Real Estate	32,754	33,069	34,381
Community, Business and Personal Services	48,050	49,175	49,885
Education	11,164	11,212	11,052
Health & Social Services	12,938	13,131	12,995
Business Services	11,040	11,729	12,406
Accommodation, Food & Beverage Services	4,169	4,225	4,287
Amusement & Recreation	2,106	2,170	2,305
Personal & Household Services	3,454	3,440	3,476
Other Services	3,178	3,267	3,365
Government Services	12,161	11,977	11,348
Federal	6,044	5,904	5,619
Provincial	2,971	2,932	2,664
Local	3,147	3,141	3,065
Miscellaneous Industries	1,286	1,243	1,185
Total Production ($1986) at Factor Cost	**207,169**	**212,802**	**216,186**
Indirect Taxes Less Subsidies plus Miscellaneous Adjustments	30,242	33,015	32,912
Gross Domestic Product ($1986) at Market Prices	**237,411**	**245,817**	**249,098**

Notes: 1. Gross Domestic Product on an industry basis is at factor cost, whereas GDP on an expenditure basis is at market prices.
2. See Table 9 for detailed Manufacturing industries.

Sources: Statistics Canada and Ontario Ministry of Finance.

Table 8 **Ontario, Growth in Real Gross Domestic Product by Industry[1], 1990-1996**

	(per cent change)			
	1990	1991	1992	1993
Goods Producing Industries	-6.9	-6.5	0.2	1.6
Primary Industries	-7.1	-7.0	-1.1	1.7
Agriculture	-8.3	-4.5	-0.4	4.6
Manufacturing[2]	-6.7	-8.0	2.6	4.5
Construction	-6.0	-8.1	-6.8	-11.2
Utilities	-10.8	13.5	-3.2	2.2
Services Producing Industries	**-0.2**	**-0.8**	**0.4**	**1.7**
Transportation, Storage and Communication	2.6	-3.4	1.1	1.8
Transportation & Storage	-1.9	-10.0	-0.2	0.8
Communication	7.8	3.8	2.4	2.6
Trade	-1.3	-4.3	1.1	3.7
Wholesale	0.7	-2.5	1.6	5.8
Retail	-3.3	-6.2	0.7	1.6
Finance, Insurance and Real Estate	-0.1	2.2	-0.1	2.2
Community, Business and Personal Services	-0.9	-0.9	0.2	1.0
Education	3.8	2.5	1.6	1.1
Health & Social Services	-0.7	3.2	-0.3	0.0
Business Services	-1.6	-2.8	-1.0	2.0
Accommodation, Food & Beverage Services	-5.3	-14.5	-1.0	0.4
Amusement & Recreation	-3.9	-5.6	2.8	-1.7
Personal & Household Services	1.1	-5.1	-2.0	1.5
Other Services	-7.3	6.7	4.1	2.8
Government Services	1.8	2.4	0.5	-0.3
Federal	1.7	2.6	1.9	-0.1
Provincial	0.0	2.6	1.0	-0.7
Local	3.6	1.8	-2.6	-0.3
Total Production ($1986) at Factor Cost	**-2.6**	**-2.8**	**0.4**	**1.7**
Gross Domestic Product ($1986) at Market Prices	**-2.4**	**-3.2**	**1.0**	**1.2**

Table 8 (continued) **Ontario, Growth in Real Gross Domestic Product by Industry[1], 1990-1996**

	(per cent change)		
	1994	1995	1996
Goods Producing Industries	7.3	4.2	0.4
Primary Industries	2.8	2.4	1.4
Agriculture	10.9	1.2	0.5
Manufacturing[2]	9.2	6.7	0.6
Construction	1.6	-5.5	-0.7
Utilities	5.0	-1.1	-0.5
Services Producing Industries	**3.0**	**2.0**	**2.3**
Transportation, Storage and Communication	5.1	4.3	5.7
Transportation & Storage	4.0	1.8	3.7
Communication	6.0	6.6	7.3
Trade	8.3	3.0	3.2
Wholesale	11.0	4.7	6.4
Retail	5.2	0.9	-0.7
Finance, Insurance and Real Estate	1.7	1.0	4.0
Community, Business and Personal Services	1.4	2.3	1.4
Education	-0.8	0.4	-1.4
Health & Social Services	0.4	1.5	-1.0
Business Services	3.5	6.2	5.8
Accommodation, Food & Beverage Services	3.0	1.3	1.5
Amusement & Recreation	7.9	3.0	6.2
Personal & Household Services	1.9	-0.4	1.0
Other Services	-0.4	2.8	3.0
Government Services	-1.0	-1.5	-5.2
Federal	0.4	-2.3	-4.8
Provincial	-3.0	-1.3	-9.1
Local	-1.5	-0.2	-2.4
Total Production ($1986) at Factor Cost	**4.4**	**2.7**	**1.6**
Gross Domestic Product ($1986) at Market Prices	**4.6**	**3.5**	**1.3**

Notes: 1. Gross Domestic Product on an industry basis is at factor cost, whereas GDP on an expenditure basis is at market prices.
2. See Table 10 for detailed Manufacturing industries.

Sources: Statistics Canada and Ontario Ministry of Finance.

Table 9

Ontario, Real Gross Domestic Product in Selected Manufacturing Industries[1], 1990-1996

(millions of dollars)

	1990	1991	1992	1993	1994	1995	1996
Manufacturing	47,731	43,901	45,034	47,040	51,365	54,783	55,091
Food	4,231	4,328	4,623	4,723	4,775	4,825	4,973
Beverage	1,107	993	1,087	1,192	1,271	1,320	1,256
Rubber Products	649	563	688	750	826	848	825
Plastics Products	1,084	1,032	1,117	1,154	1,284	1,268	1,394
Leather & Allied Products	186	140	142	153	165	158	142
Primary Textile & Textile Products	910	858	784	792	888	900	910
Clothing	659	578	595	574	546	560	545
Wood	796	661	685	738	801	799	933
Furniture & Fixture	811	661	645	688	766	877	951
Paper & Allied Products	2,497	2,153	2,241	2,201	2,239	2,250	2,241
Printing & Publishing	3,041	2,604	2,417	2,233	2,262	2,130	2,138
Primary Metals	3,289	3,236	3,422	3,715	3,872	4,008	4,082
Fabricated Metal Product	3,631	3,082	2,909	3,055	3,486	3,642	3,646
Machinery	2,094	1,584	1,461	1,594	1,867	2,095	2,057
Transportation Equipment	9,637	8,954	9,241	10,246	11,141	11,813	12,230
Electrical & Electronic	5,123	5,296	5,632	5,828	7,576	9,496	8,658
Non-metallic Mineral Products	1,504	1,146	1,092	1,141	1,206	1,199	1,274
Refined Petroleum & Coal Products	678	643	648	678	657	675	719
Chemical & Chemical Products	4,110	3,611	3,888	3,944	3,958	4,060	4,166
Other Manufacturing	1,695	1,778	1,717	1,641	1,779	1,858	1,951

Note: 1. Gross Domestic Product on an industry basis is at factor cost, whereas GDP on an expenditure basis is at market prices.

Sources: Statistics Canada and Ontario Ministry of Finance.

Table 10 **Ontario, Growth in Real Gross Domestic Product in Selected Manufacturing Industries[1], 1990-1996**

(per cent change)

	1990	1991	1992	1993	1994	1995	1996
Manufacturing	-6.7	-8.0	2.6	4.5	9.2	6.7	0.6
Food	-2.9	2.3	6.8	2.2	1.1	1.0	3.1
Beverage	-11.8	-10.3	9.5	9.6	6.6	3.8	-4.8
Rubber Products	-1.6	-13.2	22.2	9.0	10.2	2.6	-2.7
Plastics Products	-4.2	-4.8	8.2	3.3	11.3	-1.2	10.0
Leather & Allied Products	-21.4	-24.4	0.9	8.0	7.7	-3.9	-10.3
Primary Textile & Textile Products	-16.4	-5.7	-8.7	1.0	12.2	1.3	1.1
Clothing	-17.2	-12.2	3.0	-3.6	-4.8	2.6	-2.8
Wood	-19.3	-16.9	3.6	7.7	8.5	-0.2	16.7
Furniture & Fixture	-8.3	-18.5	-2.4	6.7	11.3	14.6	8.4
Paper & Allied Products	-2.7	-13.8	4.1	-1.8	1.8	0.5	-0.4
Printing & Publishing	-4.3	-14.4	-7.2	-7.6	1.3	-5.8	0.4
Primary Metals	-13.2	-1.6	5.7	8.6	4.2	3.5	1.9
Fabricated Metal Product	-9.6	-15.1	-5.6	5.0	14.1	4.5	0.1
Machinery	-6.6	-24.4	-7.7	9.1	17.1	12.2	-1.8
Transportation Equipment	-6.7	-7.1	3.2	10.9	8.7	6.0	3.5
Electrical & Electronic	-4.6	3.4	6.4	3.5	30.0	25.3	-8.8
Non-metallic Mineral Products	-15.5	-23.8	-4.7	4.5	5.7	-0.6	6.2
Refined Petroleum & Coal Products	0.6	-5.1	0.7	4.6	-3.1	2.8	6.5
Chemical & Chemical Products	0.6	-12.1	7.6	1.5	0.4	2.6	2.6
Other Manufacturing	-2.4	4.9	-3.5	-4.3	8.4	4.5	5.0

Note: 1. Gross Domestic Product on an industry basis is at factor cost, whereas GDP on an expenditure basis is at market prices.

Sources: Statistics Canada and Ontario Ministry of Finance.

Table 11 **Ontario, Housing Market Indicators, 1990-1996**

	1990	1991	1992	1993	1994	1995	1996
Residential Construction							
Current $ millions*	18,013	15,687	15,781	14,668	15,468	13,151	15,008
	-22.8	-12.9	0.6	-7.1	5.5	-15.0	14.1
New Construction*	10,062	7,603	8,014	6,691	7,126	5,610	6,480
	-22.8	-24.4	5.4	-16.5	6.5	-21.3	15.5
Alterations and Improvements*	5,351	4,952	4,752	5,326	5,428	5,045	5,464
	-15.2	-7.5	-4.0	12.1	1.9	-7.1	8.3
Transfer Costs*	2,600	3,132	3,015	2,651	2,914	2,496	3,064
	-34.9	20.5	-3.7	-12.1	9.9	-14.3	22.8
Housing Starts (000's)*	62.6	52.8	55.8	45.1	46.6	35.8	43.1
	-32.9	-15.7	5.6	-19.1	3.3	-23.2	20.2
Home Resales (000's)*	88.4	105.7	115.3	107.6	116.0	105.8	138.9
	-27.4	19.6	9.0	-6.7	7.8	-8.8	31.3
Average Resale Home Price ($)*	171,919	171,089	161,364	156,402	160,033	154,536	155,584
	-4.0	-0.5	-5.7	-3.1	2.3	-3.4	0.7

* Per cent change is shown on second line.

Sources: Statistics Canada, Canada Mortgage and Housing Corporation and Canadian Real Estate Association.

Table 12

Selected Financial Indicators, 1983-1996

(per cent)

	1983	1984	1985	1986	1987	1988	1989
Interest Rates							
Bank Rate	9.6	11.3	9.6	9.2	8.4	9.7	12.3
Prime Rate	11.2	12.1	10.6	10.5	9.5	10.8	13.3
10-Year Government Bonds	11.8	12.8	11.0	9.5	9.9	10.2	9.9
Three-Month T-Bills	9.3	11.1	9.4	9.0	8.1	9.5	12.1
Mortgage Rates							
5-Year Rate	13.3	13.6	12.2	11.2	11.1	11.6	12.1
1-Year Rate	11.0	12.0	10.3	10.2	9.9	10.8	12.9
Household Debt Burden *							
Consumer	17.1	16.7	17.3	18.5	19.3	20.2	20.6
Mortgage	36.9	36.7	36.7	39.3	43.0	46.0	48.4
Total	54.1	53.5	54.0	57.7	62.3	66.2	69.0

Table 12 (continued)

(per cent)

	1990	1991	1992	1993	1994	1995	1996
Interest Rates							
Bank Rate	13.0	9.0	6.8	5.1	5.8	7.3	4.5
Prime Rate	14.1	9.9	7.5	5.9	6.9	8.6	6.1
10-Year Government Bonds	10.9	9.8	8.8	7.8	8.6	8.4	7.5
Three-Month T-Bills	12.8	8.7	6.6	4.8	5.5	7.0	4.2
Mortgage Rates							
5-Year Rate	13.2	11.2	9.5	8.7	9.3	9.2	7.9
1-Year Rate	13.4	10.1	7.9	6.9	7.8	8.4	6.2
Household Debt Burden *							
Consumer	21.5	21.3	20.7	20.8	22.0	22.9	24.2
Mortgage	52.9	55.5	58.9	62.2	65.4	66.2	68.2
Total	74.4	76.8	79.6	83.0	87.5	89.0	92.4

* Canadian household debt as a share of personal disposable income.

Note: All data are annual averages.

Sources: Statistics Canada and Bank of Canada.

Table 13 **Ontario and the G-7, Real GDP Growth, 1983-1996**

(per cent)

	1983	1984	1985	1986	1987	1988	1989
Ontario	6.8	8.7	4.1	5.1	4.5	5.9	3.3
Canada	3.2	6.3	4.8	3.3	4.2	5.0	2.4
France	0.7	1.3	1.9	2.5	2.3	4.5	4.3
Germany	1.8	2.8	2.0	2.3	1.5	3.7	3.6
Italy	1.0	2.6	2.8	2.8	3.1	3.9	2.9
Japan	2.3	3.9	4.4	2.9	4.2	6.2	4.8
United Kingdom	3.7	2.3	3.8	4.3	4.8	5.0	2.2
United States	4.0	7.0	3.6	3.1	2.9	3.8	3.4

Table 13 (continued)

(per cent)

	1990	1991	1992	1993	1994	1995	1996
Ontario	-2.4	-3.2	1.0	1.2	4.6	3.5	1.3
Canada	-0.2	-1.8	0.8	2.2	4.1	2.3	1.5
France	2.5	0.8	1.2	-1.3	2.8	2.1	1.5
Germany	5.7	N/A	2.2	-1.1	2.9	1.9	1.4
Italy	2.2	1.1	0.6	-1.2	2.2	2.9	0.7
Japan	5.1	3.8	1.0	0.3	0.6	1.4	3.5
United Kingdom	0.4	-2.0	-0.5	2.1	4.3	2.7	2.3
United States	1.2	-0.9	2.7	2.3	3.5	2.0	2.8

Sources: OECD, Statistics Canada and Ontario Ministry of Finance.

Table 14 Ontario and the G-7, Employment Growth, 1983-1996

(per cent)

	1983	1984	1985	1986	1987	1988	1989
Ontario	0.8	3.9	3.7	3.6	3.8	3.7	2.0
Canada	0.6	2.7	3.0	3.0	2.7	3.2	2.1
France	-0.3	-0.9	-0.3	0.2	0.3	0.8	1.2
Germany	-1.5	0.2	0.7	1.4	0.7	0.8	1.5
Italy	0.3	0.3	0.4	0.5	-0.1	1.1	0.1
Japan	1.7	0.6	0.7	0.8	1.0	1.7	1.9
United Kingdom	-1.2	2.6	1.3	0.1	2.1	3.4	3.0
United States	1.3	4.1	2.0	2.3	2.6	2.2	2.1

Table 14 (continued)

(per cent)

	1990	1991	1992	1993	1994	1995	1996
Ontario	-0.3	-3.5	-0.9	1.8	1.4	1.4	1.5
Canada	0.6	-1.9	-0.6	1.3	2.1	1.6	1.3
France	3.0	0.2	-0.6	-1.2	-0.2	1.1	0.0
Germany	2.8	N/A	-1.3	-1.1	-0.4	-0.3	-1.2
Italy	1.8	0.9	-0.7	-4.5	-1.6	-0.3	0.5
Japan	2.0	1.9	1.1	0.2	0.0	0.1	0.4
United Kingdom	1.0	-2.4	-1.3	-1.1	0.8	1.0	1.0
United States	1.2	-0.9	0.7	1.5	2.3	1.5	1.4

Sources: OECD and Statistics Canada.

Table 15 **Ontario and the G-7, Unemployment Rates, 1983-1996**

	(per cent)						
	1983	1984	1985	1986	1987	1988	1989
Ontario	10.4	9.0	8.1	7.0	6.1	5.0	5.1
Canada	11.9	11.3	10.5	9.6	8.9	7.8	7.5
France	8.3	9.7	10.2	10.4	10.5	10.0	9.4
Germany	7.9	7.9	8.0	7.6	7.6	7.6	6.8
Italy	9.3	9.9	10.1	10.9	11.8	11.8	11.8
Japan	2.6	2.7	2.6	2.8	2.8	2.5	2.3
United Kingdom	11.2	11.1	11.5	11.6	10.4	8.3	6.1
United States	9.4	7.4	7.1	6.9	6.1	5.4	5.2

Table 15 (continued)

	(per cent)						
	1990	1991	1992	1993	1994	1995	1996
Ontario	6.3	9.6	10.9	10.6	9.6	8.7	9.1
Canada	8.1	10.4	11.3	11.2	10.4	9.5	9.7
France	8.9	9.4	10.3	11.6	12.3	11.5	12.3
Germany	6.2	5.6	6.6	7.9	8.4	8.1	9.0
Italy	11.2	10.8	11.4	10.6	11.5	12.0	12.0
Japan	2.1	2.1	2.2	2.5	2.9	3.2	3.4
United Kingdom	5.5	7.9	9.7	10.3	9.6	8.6	8.2
United States	5.5	6.7	7.4	6.8	6.0	5.5	5.3

Sources: OECD and Statistics Canada.

Table 16 **Ontario and the G-7, CPI Inflation Rates, 1983-1996**

(per cent)

	1983	1984	1985	1986	1987	1988	1989
Ontario	6.2	4.9	4.1	4.4	5.1	4.7	5.8
Canada	5.7	4.4	3.9	4.2	4.4	4.0	5.0
France	9.6	7.4	5.8	2.7	3.1	2.7	3.6
Germany	3.3	2.4	2.1	-0.1	0.3	1.3	2.8
Italy	14.9	10.6	8.6	6.1	4.6	5.0	6.6
Japan	1.9	2.3	2.0	0.6	0.1	0.7	2.3
United Kingdom	4.6	5.0	6.1	3.4	4.1	4.9	7.8
United States	3.2	4.3	3.5	1.9	3.7	4.1	4.8

Table 16 (continued)

(per cent)

	1990	1991	1992	1993	1994	1995	1996
Ontario	4.8	4.6	1.1	1.7	0.1	2.4	1.6
Canada	4.8	5.6	1.5	1.8	0.2	2.1	1.6
France	3.4	3.2	2.4	2.1	1.7	1.7	2.0
Germany	2.7	3.6	5.1	4.5	2.7	1.8	1.5
Italy	6.1	6.5	5.3	4.2	3.9	5.4	3.8
Japan	3.1	3.3	1.7	1.2	0.7	-0.1	0.1
United Kingdom	9.5	5.9	3.7	1.6	2.5	3.4	2.5
United States	5.4	4.2	3.0	3.0	2.6	2.8	2.9

Sources: OECD and Statistics Canada.

Table 17 G-7, Exchange Rates, 1983-1996

	(Foreign currency per Canadian dollar)						
	1983	1984	1985	1986	1987	1988	1989
France	6.173	6.711	6.536	4.975	4.525	4.831	5.376
Germany	2.070	2.193	2.137	1.555	1.353	1.422	1.585
Italy	1234.6	1351.4	1388.9	1063.8	980.4	1052.6	1162.8
Japan	192.7	183.2	173.3	120.5	108.8	104.1	116.3
United Kingdom	0.535	0.579	0.565	0.491	0.460	0.456	0.515
United States	0.812	0.772	0.732	0.720	0.754	0.812	0.845

Table 17 (continued)

	(Foreign currency per Canadian dollar)						
	1990	1991	1992	1993	1994	1995	1996
France	4.651	4.902	4.367	4.386	4.050	3.631	3.750
Germany	1.381	1.441	1.289	1.280	1.184	1.043	1.103
Italy	1020.4	1075.3	1020.4	1219.5	1176.5	1186.2	1131.2
Japan	123.5	117.2	104.7	85.8	74.7	68.0	79.7
United Kingdom	0.480	0.493	0.469	0.516	0.478	0.461	0.470
United States	0.857	0.873	0.827	0.775	0.732	0.729	0.733

Note: All data are annual averages.

Source: Bank of Canada.

Table 18

Ontario, International Merchandise Exports by Major Commodity, 1996

	Value ($ millions)	Per cent of total
Motor Vehicles, Parts and Accessories	52,973	37.8
Machinery and Mechanical Appliances	19,043	13.6
Electrical Machinery and Equipment	7,677	5.5
Non-Ferrous Metals and Allied Products	5,997	4.3
Pulp; Paper and Allied Products	5,084	3.6
Plastics and Plastic Articles	3,778	2.7
Precious Metals, Stones and Coins	3,568	2.5
Furniture and Fixtures, Signs, Prefabricated Buildings	3,186	2.3
Prepared Foodstuffs, Beverages and Tobacco	2,893	2.1
Iron and Steel	2,706	1.9
Articles of Iron and Steel	2,386	1.7
Other Chemical Products	2,376	1.7
Wood and Wood Products	2,205	1.6
Scientific, Professional and Photo Equipment, Clocks	1,961	1.4
Mineral Products	1,681	1.2
Rubber and Rubber Articles	1,525	1.1
Inorganic Chemicals; Chemical Elements and Compounds	1,437	1.0
Aircraft, Spacecraft and Parts	1,327	0.9
Articles of Stone, Cement, Ceramic and Glass	1,323	0.9
Vegetable Products; Fats and Oils	1,180	0.8
Textiles and Textile Articles	1,146	0.8
Live Animals; Animal Products	1,139	0.8
Railway, Rolling Stock and Parts	1,101	0.8
Organic Chemicals	855	0.6
Pharmaceutical Products	522	0.4
Printed Matter	495	0.4
Toys, Games and Sports Equipment	460	0.3
Apparel and Clothing Accessories	410	0.3
Hides, Leather, Travel Goods and Furs	346	0.2
Miscellaneous Articles; Works of Art	214	0.2
Other Textile and Clothing Articles	101	0.1
Footwear	101	0.1
Ships, Boats and Floating Structures	37	0.0
Headgear, Umbrellas, Artificial Flowers	29	0.0
Other Commodities	8,702	6.2
Total Exports	**139,964**	**100.0**

Notes: 1. Ontario Ministry of Economic Development, Trade and Tourism definition of product groupings based on two-digit Harmonized System Codes. Data are customs based.

2. Other Commodities includes re-exports and special transactions.

Sources: Statistics Canada and Ontario Ministry of Economic Development, Trade and Tourism.

Table 19 **Ontario, International Merchandise Imports by Major Commodity, 1996**

	Value ($ millions)	Per cent of total
Motor Vehicles, Parts and Accessories	33,644	22.4
Machinery and Mechanical Appliances	30,799	20.5
Electrical Machinery and Equipment	19,109	12.7
Non-Ferrous Metals and Allied Products	5,322	3.5
Plastics and Plastic Articles	5,277	3.5
Scientific, Professional and Photo Equipment, Clocks	5,264	3.5
Other Chemical Products	5,073	3.4
Prepared Foodstuffs, Beverages and Tobacco	3,364	2.2
Pulp; Paper and Allied Products	2,912	1.9
Vegetable Products; Fats and Oils	2,787	1.9
Articles of Iron and Steel	2,559	1.7
Iron and Steel	2,424	1.6
Mineral Products	2,308	1.5
Organic Chemicals	2,292	1.5
Furniture and Fixtures, Signs, Prefabricated Buildings	2,219	1.5
Rubber and Rubber Articles	2,202	1.5
Textiles and Textile Articles	2,115	1.4
Articles of Stone, Cement, Ceramic and Glass	2,067	1.4
Printed Matter	2,031	1.4
Pharmaceutical Products	1,559	1.0
Precious Metals, Stones and Coins	1,410	0.9
Apparel and Clothing Accessories	1,314	0.9
Aircraft, Spacecraft and Parts	1,260	0.8
Toys, Games and Sports Equipment	1,201	0.8
Live Animals; Animal Products	1,175	0.8
Wood and Wood Products	786	0.5
Inorganic Chemicals; Chemical Elements and Compounds	735	0.5
Miscellaneous Articles; Works of Art	651	0.4
Footwear	547	0.4
Hides, Leather, Travel Goods and Furs	543	0.4
Railway, Rolling Stock and Parts	417	0.3
Other Textile and Clothing Articles	297	0.2
Ships, Boats and Floating Structures	100	0.1
Headgear, Umbrellas, Artificial Flowers	95	0.1
Other Commodities	4,113	2.7
Total Imports	**149,972**	**100.0**

Notes: 1. Ontario Ministry of Economic Development, Trade and Tourism definition of product groupings based on two-digit Harmonized System Codes. Data are customs based.

2. Other Commodities includes trans-shipments from one province to another through a foreign jurisdiction and special transactions.

Sources: Statistics Canada and Ontario Ministry of Economic Development, Trade and Tourism.

Table 20 Ontario, International Merchandise Trade by Major Region, 1996

	Exports ($ millions)	Per cent of total	Imports ($ millions)	Per cent of total
United States	125,789	89.9	113,663	75.8
Western Europe	6,224	4.4	10,445	7.0
European Union	4,960	3.5	9,722	6.5
Other Western Europe	1,264	0.9	723	0.5
Eastern Europe	383	0.3	360	0.2
Asia	4,504	3.2	15,944	10.6
Pacific Rim	4,314	3.1	15,568	10.4
Other Asia	190	0.1	377	0.3
Caribbean	338	0.2	158	0.1
Latin America	1,557	1.1	6,666	4.4
Mexico	553	0.4	5,157	3.4
Middle East	762	0.5	266	0.2
Africa	361	0.3	371	0.2
Statistical Discrepancy	46	0.0	2,099	1.4
Total	**139,964**	**100.0**	**149,972**	**100.0**

Note: Figures may not add to totals due to rounding. Data are customs based, and include re-exports.

Sources: Statistics Canada and Ontario Ministry of Economic Development, Trade and Tourism.

Table 21 Canada, International Merchandise Trade by Major Region, 1996

	Exports ($ millions)	Per cent of total	Imports ($ millions)	Per cent of total
United States	223,479	81.0	157,494	67.6
Western Europe	17,524	6.4	26,642	11.4
European Union	15,708	5.7	22,737	9.8
Other Western Europe	1,816	0.7	3,904	1.7
Eastern Europe	886	0.3	961	0.4
Asia	24,406	8.8	29,811	12.8
Pacific Rim	23,796	8.6	28,808	12.4
Other Asia	610	0.2	1,003	0.4
Caribbean	768	0.3	867	0.4
Latin America	4,981	1.8	9,628	4.1
Mexico	1,252	0.5	6,034	2.6
Middle East	2,145	0.8	1,376	0.6
Africa	1,612	0.6	2,070	0.9
Statistical Discrepancy	121	0.0	4,265	1.8
Total	**275,921**	**100.0**	**233,114**	**100.0**

Note: Figures may not add to totals due to rounding. Data are customs based.

Sources: Statistics Canada and Ontario Ministry of Economic Development, Trade and Tourism.

Table 22 Ontario, Selected Demographic Characteristics, 1976-2016[1]

	Estimates			Projections	
	1976	1986	1996	2006	2016
Total Population (000s)[2]	8,432	9,477	11,258	13,006	14,486
Annual Average Growth Over Preceding Decade (%)	1.7	1.2	1.7	1.5	1.1
Median Age (Years)	28.5	31.9	35.1	38.3	40.7
Age Group Shares (%)					
0-14	24.8	20.2	20.0	18.4	16.5
15-24	19.2	17.2	13.1	12.9	12.4
25-44	27.6	32.1	33.4	29.9	26.9
45-64	19.5	19.8	21.2	25.7	28.1
65-74	5.5	6.5	7.2	6.8	9.1
75+	3.4	4.2	5.0	6.3	7.0
Total Fertility Rate[3]	1.8	1.6	1.7	1.7	1.7
Life Expectancy (Years)[3]					
Male	70.6	73.5	75.9	77.5	78.8
Female	77.7	79.7	81.5	83.0	84.4
Families (000s)[3]	2,147	2,547	3,069	3,628	4,227
Households (000s)[3]	2,688	3,355	4,103	4,916	5,774

Notes: 1. Population figures are for July.

2. Population, families and households figures reflect adjustments for net Census undercoverage, non-permanent residents and returning Canadians.

3. Data for 1996 and later years are projections. Fertility rate and life expectancy are Ontario Ministry of Finance projections; families and households are Statistics Canada projections.

Sources: Statistics Canada (Estimates and Families and Households Projections) and Ontario Ministry of Finance (Population Projections).

Table 23 Ontario, Components of Population Growth, 1985/86-1996/97[1]

	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
	(thousands)					
Population at Beginning of Period	**9,334.4**	**9,477.2**	**9,684.9**	**9,884.4**	**10,151.0**	**10,341.4**
Births	133.5	134.9	135.7	140.8	150.1	150.6
Deaths	67.1	67.4	70.2	69.7	71.3	71.5
Immigrants	43.1	70.2	85.2	98.3	108.6	113.9
Emigrants	22.5	21.0	17.9	17.5	16.7	18.6
Interprovincial Arrivals	89.7	104.6	99.2	89.0	84.1	73.8
Interprovincial Departures	57.0	58.5	68.7	80.7	94.3	84.7
Net Non-Permanent Residents	10.4	32.3	24.9	95.4	20.0	(43.8)
Population Growth During Period	142.8	207.7	199.5	266.6	190.4	130.0
Population at End of Period[2]	**9,477.2**	**9,684.9**	**9,884.4**	**10,151.0**	**10,341.4**	**10,471.5**
Population Growth (%)	1.5	2.2	2.1	2.7	1.9	1.3

Table 23 (continued)

	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97
	(thousands)					
Population at Beginning of Period	**10,471.5**	**10,646.8**	**10,814.1**	**10,936.5**	**11,098.1**	**11,258.4**
Births	152.1	148.7	147.1	147.2	142.3	140.0
Deaths	73.6	74.6	77.3	78.2	79.0	80.8
Immigrants	128.3	145.0	119.6	119.8	115.1	116.8
Emigrants	19.5	18.6	19.0	19.5	20.0	21.0
Interprovincial Arrivals	70.8	66.4	64.6	66.9	69.1	81.9
Interprovincial Departures	81.9	80.6	74.0	69.7	71.9	86.7
Net Non-Permanent Residents	(10.7)	(28.6)	(48.2)	(14.5)	(5.0)	(10.4)
Population Growth During Period	175.3	167.3	122.5	161.6	160.3	149.3
Population at End of Period[2]	**10,646.8**	**10,814.1**	**10,936.5**	**11,098.1**	**11,258.4**	**11,407.7**
Population Growth (%)	1.7	1.6	1.1	1.5	1.4	1.3

Notes: 1. Data are from July 1 to June 30 (Census year).

2. The sum of the components does not equal the total change in population due to residual errors in estimation and the exclusion of returning Canadians.

Source: Statistics Canada.

Table 24 Ontario, Labour Force, 1983-1996

	1983	1984	1985	1986	1987	1988	1989
Labour Force (000s)	4,775	4,886	5,012	5,133	5,272	5,408	5,521
Annual Labour Force Growth (%)	1.6	2.3	2.6	2.4	2.7	2.6	2.1
Participation Rate (%)							
Male	78.9	78.9	79.1	79.4	79.4	79.1	79.3
Female	57.1	57.8	58.6	59.1	60.2	61.4	61.7
Share of Labour Force (%)							
Youth (15-24)	24.4	24.0	23.4	23.0	22.3	21.2	20.4
Older Worker (45+)	27.0	26.6	26.8	25.9	26.1	26.2	26.1

Table 24 (continued)	1990	1991	1992	1993	1994	1995	1996
Labour Force (000s)	5,577	5,582	5,610	5,692	5,707	5,732	5,839
Annual Labour Force Growth (%)	1.0	0.1	0.5	1.5	0.3	0.4	1.9
Participation Rate (%)							
Male	78.2	76.5	75.5	75.0	73.9	73.1	73.1
Female	61.8	61.2	60.2	60.0	59.3	58.7	59.2
Share of Labour Force (%)							
Youth (15-24)	19.4	18.5	17.9	17.0	16.4	16.1	15.8
Older Worker (45+)	26.4	26.5	27.5	28.1	28.8	28.9	29.5

Sources: Statistics Canada and Ontario Ministry of Finance.

Table 25 — Ontario, Employment, 1983-1996

	1983	1984	1985	1986	1987	1988	1989
Total Employment (000s)	4,278	4,444	4,608	4,772	4,951	5,136	5,241
Male	2,438	2,531	2,613	2,703	2,789	2,857	2,905
Female	1,841	1,912	1,995	2,069	2,162	2,279	2,336
Annual Employment Growth (%)	0.8	3.9	3.7	3.5	3.8	3.7	2.0
Net Job Creation (000s)	34	166	164	164	179	185	105
Private-Sector Employment (000s)	N/A	3,599	3,734	3,876	4,019	4,155	4,257
Broader Public-Sector Employment (000s)[1]	N/A	845	874	896	932	981	984
Manufacturing Employment (% of total)	22.9	23.4	23.0	22.5	22.1	21.2	20.8
Services Employment (% of total)	66.7	66.3	66.7	67.0	67.3	68.3	67.9
Part-time (% of total)	17.0	16.8	16.8	16.5	16.3	16.6	16.6
Average Hours Worked Per Week[2]	37.4	37.6	37.7	37.7	37.8	38.3	38.6

Table 25 (continued)

	1990	1991	1992	1993	1994	1995	1996
Total Employment (000s)	5,226	5,044	5,001	5,089	5,160	5,231	5,311
Male	2,866	2,736	2,700	2,759	2,800	2,844	2,881
Female	2,360	2,307	2,300	2,330	2,360	2,388	2,430
Annual Employment Growth (%)	-0.3	-3.5	-0.9	1.8	1.4	1.4	1.5
Net Job Creation (000s)	-15	-182	-43	88	71	71	80
Private-Sector Employment (000s)	4,225	4,003	3,931	3,998	4,071	4,187	4,277
Broader Public-Sector Employment (000s)[1]	1,001	1,041	1,070	1,091	1,089	1,044	1,034
Manufacturing Employment (% of total)	19.6	18.6	17.8	17.4	17.5	18.6	18.6
Services Employment (% of total)	69.4	71.0	72.2	73.0	72.9	72.3	72.1
Part-time (% of total)	17.1	18.3	18.5	19.4	18.8	18.5	19.1
Average Hours Worked Per Week[2]	38.2	37.3	36.7	37.3	37.7	37.3	37.7

Notes: 1. Broader Public-Sector includes Public Administration, Health and Social Services, and Education and Related Services, with the exception of employment in: offices of health and social service practitioners, museums, archives, most private-sector educational institutions and religious organizations.

2. Average actual hours worked per week at all jobs, excluding persons not at work.

Sources: Statistics Canada and Ontario Ministry of Finance.

Table 26 **Ontario, Unemployment, 1983-1996**

	1983	1984	1985	1986	1987	1988	1989
Total Unemployment (000s)	497	442	404	361	321	272	281
Unemployment Rate (%)	10.4	9.0	8.1	7.0	6.1	5.0	5.1
Male	10.5	8.7	7.7	6.7	5.5	4.6	4.8
Female	10.3	9.5	8.5	7.5	6.9	5.6	5.5
Toronto CMA	N/A	N/A	N/A	N/A	4.5	3.7	4.0
Northern Ontario	N/A	N/A	N/A	N/A	9.7	7.9	7.5
Youth (15-24)	17.7	14.8	13.0	11.5	9.7	8.1	7.9
Older Worker (45+)	6.6	6.1	5.5	4.7	4.4	3.5	3.3
Unemployment (% of total)							
Long-Term (27 weeks+)	25.6	22.5	19.6	18.0	16.7	12.7	13.1
Youth (15-24)	41.5	39.3	37.8	37.5	35.4	34.3	31.8
Older Worker (45+)	17.2	17.9	18.2	17.1	18.9	18.0	17.1
Average Duration (weeks)							
Youth (15-24)	17.1	14.2	12.5	12.5	10.9	8.7	8.5
Older Worker (45+)	25.4	25.3	23.6	23.6	22.2	19.9	19.2

Table 26 (continued)

	1990	1991	1992	1993	1994	1995	1996
Total Unemployment (000s)	351	538	609	604	547	501	528
Unemployment Rate (%)	6.3	9.6	10.9	10.6	9.6	8.7	9.1
Male	6.3	10.2	11.9	11.2	9.9	8.8	8.9
Female	6.3	9.0	9.6	9.9	9.2	8.7	9.2
Toronto CMA	5.3	9.7	11.4	11.0	10.3	8.5	9.1
Northern Ontario	8.2	11.4	12.7	12.1	11.6	9.9	10.7
Youth (15-24)	10.4	15.3	18.1	17.9	16.4	15.4	15.6
Older Worker (45+)	4.0	6.8	7.5	7.3	6.9	6.4	6.3
Unemployment (% of total)							
Long-Term (27 weeks+)	13.7	22.6	29.8	33.4	32.4	29.3	28.2
Youth (15-24)	32.1	29.5	29.9	28.7	28.0	28.4	27.1
Older Worker (45+)	16.8	18.8	19.0	19.3	20.8	21.1	20.5
Average Duration (weeks)							
Youth (15-24)	10.2	13.6	16.8	18.6	18.2	16.6	15.6
Older Worker (45+)	18.9	22.8	29.7	33.8	34.9	33.3	31.1

Sources: Statistics Canada and Ontario Ministry of Finance.

Table 27 Ontario, Employment Insurance and Social Assistance, 1983-1996

	1983	1984	1985	1986	1987	1988	1989
EI Regular Beneficiaries (000s)	310	265	247	221	190	172	167
Maximum Weekly Insurable Earnings ($)	385	425	460	495	530	565	605
Maximum Weekly Entitlement ($)	231	255	276	297	318	339	363
Premium Rate							
Employer ($/$100 Insurable Earnings)	3.22	3.22	3.29	3.29	3.29	3.29	2.73
Employee ($/$100 Insurable Earnings)	2.30	2.30	2.35	2.35	2.35	2.35	1.95
Total Benefits Paid to Ontario ($ millions)	2,859	2,517	2,551	2,483	2,387	2,370	2,470
Premiums Paid from Ontario ($ millions)	2,752	3,047	3,532	3,956	4,253	4,969	4,369
Social Assistance Caseload (000s)	247	257	261	268	279	289	307

Table 27 (continued)	1990	1991	1992	1993	1994	1995	1996
EI Regular Beneficiaries (000s)	225	319	322	294	228	181	180
Maximum Weekly Insurable Earnings ($)	640	680	710	745	780	815	750
Maximum Weekly Entitlement ($)	384	408	426	425	429	448	413
Premium Rate							
Employer ($/$100 Insurable Earnings)	3.15	3.92	4.20	4.20	4.30	4.20	4.13
Employee ($/$100 Insurable Earnings)	2.25	2.80	3.00	3.00	3.07	3.00	2.95
Total Benefits Paid to Ontario ($ millions)	3,419	5,362	5,845	5,406	4,511	3,796	3,653
Premiums Paid from Ontario ($ millions)	5,346	6,081	7,263	7,481	7,807	7,793	7,757
Social Assistance Caseload (000s)	366	499	608	660	673	660	599

Note: Employment Insurance benefit payments are on a cash basis; Premiums are paid on an accrual basis.

Sources: Statistics Canada, Ontario Ministry of Finance and Ontario Ministry of Community and Social Services.

Table 28 **Ontario, Labour Compensation, 1983-1996**

	1983	1984	1985	1986	1987	1988	1989
Average Weekly Earnings($)	376.57	395.72	414.47	433.35	453.80	477.70	505.11
Increase (%)	N/A	5.1	4.7	4.6	4.7	5.3	5.7
CPI Inflation (%)	6.2	4.9	4.1	4.4	5.1	4.7	5.8
AWE Increase Less CPI Inflation (%)	N/A	0.2	0.6	0.2	-0.4	0.6	-0.1
AWE - Manufacturing ($)	456.59	481.88	508.03	524.76	548.57	574.71	599.94
Increase (%)	N/A	5.5	5.4	3.3	4.5	4.8	4.4
Increase Less CPI Inflation (%)	N/A	0.6	1.3	-1.1	-0.6	0.1	-1.4
Wage Settlement Increases (200+ employees) (%)							
Public	N/A	N/A	4.8	4.6	4.6	4.7	5.8
Private	N/A	N/A	2.8	3.7	2.7	4.6	5.1
Person Days Lost Due to Strikes and Lockouts (000s)	760	1,414	1,232	941	1,109	1,362	869
Minimum Wage at Year End ($/hour)	3.50	4.00	4.00	4.35	4.55	4.75	5.00

Table 28 (continued)

	1990	1991	1992	1993	1994	1995	1996
Average Weekly Earnings($)	526.81	553.92	576.85	589.55	604.79	610.29	625.71
Increase (%)	4.3	5.1	4.1	2.2	2.6	0.9	2.5
CPI Inflation (%)	4.8	4.6	1.1	1.7	0.1	2.4	1.6
AWE Increase Less CPI Inflation (%)	-0.5	0.5	3.0	0.5	2.5	-1.5	0.9
AWE - Manufacturing ($)	632.38	663.46	696.85	716.07	739.08	749.94	773.80
Increase (%)	5.4	4.9	5.0	2.8	3.2	1.5	3.2
Increase Less CPI Inflation (%)	0.6	0.3	3.9	1.1	3.1	-0.9	1.6
Wage Settlement Increases (200+ employees) (%)							
Public	6.8	5.0	2.7	0.5	0.1	0.3	0.3
Private	6.3	4.6	2.8	2.0	0.8	1.7	2.2
Person Days Lost Due to Strikes and Lockouts (000s)	2,958	454	578	371	488	477	1,915
Minimum Wage at Year End ($/hour)	5.40	6.00	6.35	6.35	6.70	6.85	6.85

Note: Average Weekly Earnings includes overtime. AWE data series began in 1983.

Sources: Statistics Canada, Ontario Ministry of Labour and Ontario Ministry of Finance.

Table 29 **Ontario, Employment by Occupation, 1983-1996**

	(thousands)						
	1983	1984	1985	1986	1987	1988	1989
Managerial and other professional	1,115	1,229	1,326	1,355	1,452	1,554	1,566
Clerical	757	780	799	794	841	897	904
Sales	458	425	420	463	462	486	486
Service	587	578	613	620	622	633	639
Primary occupations	179	166	163	158	154	157	158
Processing, machining and fabricating	663	722	717	754	757	755	791
Construction trades	205	221	225	259	279	282	315
Transport equipment and operating	139	147	162	161	179	173	186
Material handling and other crafts	176	176	183	208	205	199	196
Total	**4,278**	**4,444**	**4,608**	**4,772**	**4,951**	**5,136**	**5,241**

Table 29 (continued)

	(thousands)						
	1990	1991	1992	1993	1994	1995	1996
Managerial and other professional	1,606	1,660	1,673	1,726	1,749	1,785	1,773
Clerical	902	849	831	805	782	781	757
Sales	511	479	490	503	521	513	537
Service	643	626	651	674	667	679	707
Primary occupations	152	146	145	155	149	143	148
Processing, machining and fabricating	739	674	632	642	661	706	740
Construction trades	312	257	239	245	250	248	249
Transport equipment and operating	182	174	167	170	186	184	191
Material handling and other crafts	178	178	173	170	195	192	208
Total	**5,226**	**5,044**	**5,001**	**5,089**	**5,160**	**5,231**	**5,311**

Source: Statistics Canada.

Table 30 **Ontario, Distribution of Employment by Occupation, 1983-1996**

	(per cent)						
	1983	1984	1985	1986	1987	1988	1989
Managerial and other professional	26.1	27.7	28.8	28.4	29.3	30.3	29.9
Clerical	17.7	17.6	17.3	16.6	17.0	17.5	17.2
Sales	10.7	9.6	9.1	9.7	9.3	9.5	9.3
Service	13.7	13.0	13.3	13.0	12.6	12.3	12.2
Primary occupations	4.2	3.7	3.5	3.3	3.1	3.1	3.0
Processing, machining and fabricating	15.5	16.2	15.6	15.8	15.3	14.7	15.1
Construction trades	4.8	5.0	4.9	5.4	5.6	5.5	6.0
Transport equipment and operating	3.2	3.3	3.5	3.4	3.6	3.4	3.5
Material handling and other crafts	4.1	4.0	4.0	4.4	4.1	3.9	3.7
Total	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**

Table 30 (continued)

	(per cent)						
	1990	1991	1992	1993	1994	1995	1996
Managerial and other professional	30.7	32.9	33.5	33.9	33.9	34.1	33.4
Clerical	17.3	16.8	16.6	15.8	15.2	14.9	14.3
Sales	9.8	9.5	9.8	9.9	10.1	9.8	10.1
Service	12.3	12.4	13.0	13.2	12.9	13.0	13.3
Primary occupations	2.9	2.9	2.9	3.0	2.9	2.7	2.8
Processing, machining and fabricating	14.1	13.4	12.6	12.6	12.8	13.5	13.9
Construction trades	6.0	5.1	4.8	4.8	4.8	4.7	4.7
Transport equipment and operating	3.5	3.4	3.3	3.3	3.6	3.5	3.6
Material handling and other crafts	3.4	3.5	3.5	3.3	3.8	3.7	3.9
Total	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**

Source: Statistics Canada.

Table 31 **Ontario, Employment by Industry, 1987-1996**

	(thousands)				
	1987	1988	1989	1990	1991
Goods Producing Industries	**1,617**	**1,630**	**1,683**	**1,596**	**1,463**
Primary Industries	179	175	177	169	165
Agriculture	119	113	120	113	114
Manufacturing	1,093	1,088	1,089	1,022	939
Construction	290	309	350	346	294
Utilities	54	58	66	60	65
Services Producing Industries	**3,334**	**3,506**	**3,558**	**3,629**	**3,581**
Transportation, Storage and Communication	278	286	321	307	285
Transportation & Storage	166	166	185	180	178
Communication	112	120	136	127	107
Trade	849	902	871	900	861
Wholesale	219	244	215	235	211
Retail	630	659	655	665	650
Finance, Insurance and Real Estate	324	345	338	361	351
Community, Business and Personal Services	1,582	1,658	1,707	1,736	1,762
Education	308	328	328	333	344
Health & Social Services	399	422	428	433	468
Business Services	275	297	322	334	330
Accommodation, Food & Beverage Services	284	283	296	301	291
Amusement & Recreation	61	63	66	61	71
Personal & Household Services	113	129	113	109	105
Other Services	142	135	155	165	153
Public Administration	301	315	321	325	321
Federal	119	131	127	123	127
Provincial	83	75	87	85	86
Local	98	108	108	116	106
Total Employment	**4,951**	**5,136**	**5,241**	**5,226**	**5,044**

Table 31 (continued) **Ontario, Employment by Industry, 1987-1996**

	(thousands)				
	1992	1993	1994	1995	1996
Goods Producing Industries	**1,388**	**1,372**	**1,399**	**1,450**	**1,479**
Primary Industries	162	161	155	156	160
Agriculture	118	125	118	109	117
Manufacturing	889	886	901	972	988
Construction	270	267	284	264	267
Utilities	68	58	59	59	64
Services Producing Industries	**3,613**	**3,716**	**3,761**	**3,781**	**3,831**
Transportation, Storage and Communication	283	285	300	323	319
Transportation & Storage	172	167	177	185	188
Communication	111	118	123	137	132
Trade	852	862	883	865	908
Wholesale	223	215	236	229	238
Retail	629	647	647	635	670
Finance, Insurance and Real Estate	356	363	340	353	337
Community, Business and Personal Services	1,787	1,869	1,913	1,947	1,977
Education	357	360	376	356	343
Health & Social Services	474	495	491	494	497
Business Services	319	325	370	391	400
Accommodation, Food & Beverage Services	294	300	299	316	330
Amusement & Recreation	69	81	84	86	92
Personal & Household Services	116	130	123	127	132
Other Services	158	178	170	177	183
Public Administration	334	337	326	293	290
Federal	130	132	120	111	113
Provincial	93	83	91	76	73
Local	111	121	113	106	102
Total Employment	**5,001**	**5,089**	**5,160**	**5,231**	**5,311**

Source: Statistics Canada.

Table 32 **Ontario, Growth in Employment by Industry, 1987-1996**

	(per cent change)				
	1987	1988	1989	1990	1991
Goods Producing Industries	**2.6**	**0.8**	**3.3**	**-5.2**	**-8.3**
Primary Industries	-1.1	-2.2	1.1	-4.5	-2.4
Agriculture	-6.3	-5.0	6.2	-5.8	0.9
Manufacturing	1.7	-0.5	0.1	-6.2	-8.1
Construction	9.0	6.6	13.3	-1.1	-15.0
Utilities	1.9	7.4	13.8	-9.1	8.3
Services Producing Industries	**4.4**	**5.2**	**1.5**	**2.0**	**-1.3**
Transportation, Storage and Communication	-1.8	2.9	12.2	-4.4	-7.2
Transportation & Storage	-2.9	0.0	11.4	-2.7	-1.1
Communication	0.0	7.1	13.3	-6.6	-15.7
Trade	3.0	6.2	-3.4	3.3	-4.3
Wholesale	0.5	11.4	-11.9	9.3	-10.2
Retail	4.0	4.6	-0.6	1.5	-2.3
Finance, Insurance and Real Estate	11.3	6.5	-2.0	6.8	-2.8
Community, Business and Personal Services	5.2	4.8	3.0	1.7	1.5
Education	4.8	6.5	0.0	1.5	3.3
Health & Social Services	6.7	5.8	1.4	1.2	8.1
Business Services	13.2	8.0	8.4	3.7	-1.2
Accommodation, Food & Beverage Services	6.8	-0.4	4.6	1.7	-3.3
Amusement & Recreation	-6.2	3.3	4.8	-7.6	16.4
Personal & Household Services	-9.6	14.2	-12.4	-3.5	-3.7
Other Services	4.4	-4.9	14.8	6.5	-7.3
Public Administration	2.0	4.7	1.9	1.2	-1.2
Federal	0.8	10.1	-3.1	-3.1	3.3
Provincial	15.3	-9.6	16.0	-2.3	1.2
Local	-5.8	10.2	0.0	7.4	-8.6
Total Employment	**3.8**	**3.7**	**2.0**	**-0.3**	**-3.5**

Table 32 (continued) **Ontario, Growth in Employment by Industry, 1987-1996**

	1992	1993	1994	1995	1996
	(per cent change)				
Goods Producing Industries	**-5.1**	**-1.2**	**2.0**	**3.6**	**2.0**
Primary Industries	-1.8	-0.6	-3.7	0.6	2.6
Agriculture	3.5	5.9	-5.6	-7.6	7.3
Manufacturing	-5.3	-0.3	1.7	7.9	1.6
Construction	-8.2	-1.1	6.4	-7.0	1.1
Utilities	4.6	-14.7	1.7	0.0	8.5
Services Producing Industries	**0.9**	**2.9**	**1.2**	**0.5**	**1.3**
Transportation, Storage and Communication	-0.7	0.7	5.3	7.7	-1.2
Transportation & Storage	-3.4	-2.9	6.0	4.5	1.6
Communication	3.7	6.3	4.2	11.4	-3.6
Trade	-1.0	1.2	2.4	-2.0	5.0
Wholesale	5.7	-3.6	9.8	-3.0	3.9
Retail	-3.2	2.9	0.0	-1.9	5.5
Finance, Insurance and Real Estate	1.4	2.0	-6.3	3.8	-4.5
Community, Business and Personal Services	1.4	4.6	2.4	1.8	1.5
Education	3.8	0.8	4.4	-5.3	-3.7
Health & Social Services	1.3	4.4	-0.8	0.6	0.6
Business Services	-3.3	1.9	13.8	5.7	2.3
Accommodation, Food & Beverage Services	1.0	2.0	-0.3	5.7	4.4
Amusement & Recreation	-2.8	17.4	3.7	2.4	7.0
Personal & Household Services	10.5	12.1	-5.4	3.3	3.9
Other Services	3.3	12.7	-4.5	4.1	3.4
Public Administration	4.0	0.9	-3.3	-10.1	-1.0
Federal	2.4	1.5	-9.1	-7.5	1.8
Provincial	8.1	-10.8	9.6	-16.5	-3.9
Local	4.7	9.0	-6.6	-6.2	-3.8
Total Employment	**-0.9**	**1.8**	**1.4**	**1.4**	**1.5**

Source: Statistics Canada.

Table 33 Ontario, Employment by Labour Force Regions, 1987-1997

(thousands)

		1987	1988	1989	1990	1991	1992
Ontario		**4,951**	**5,136**	**5,241**	**5,226**	**5,044**	**5,001**
Region:	**East**	**664**	**698**	**694**	**698**	**693**	**691**
	Ottawa (510)	487	518	514	521	517	514
	Kingston-Pembroke (515)	177	179	180	177	177	177
	Greater Toronto Area[1] (530)	**2,171**	**2,219**	**2,273**	**2,254**	**2,136**	**2,118**
	Central	**1,113**	**1,172**	**1,197**	**1,211**	**1,172**	**1,164**
	Muskoka-Kawarthas (520)	138	142	139	140	137	143
	Kitchener-Waterloo-Barrie (540)	406	436	456	453	451	455
	Hamilton-Niagara Peninsula (550)	570	594	602	618	584	567
	Southwest	**655**	**687**	**708**	**689**	**686**	**685**
	London (560)	262	270	281	281	283	280
	Windsor-Sarnia (570)	268	281	284	270	265	268
	Stratford-Bruce Peninsula (580)	125	136	143	138	138	137
	North	**348**	**361**	**367**	**373**	**356**	**343**
	Northeast (590)	240	248	257	260	246	236
	Northwest (595)	108	114	111	112	110	107

Table 33 (continued)

(thousands)

		1993	1994	1995	1996	1997*
Ontario		**5,089**	**5,160**	**5,231**	**5,311**	**5,407**
Region:	**East**	**701**	**724**	**697**	**708**	**716**
	Ottawa (510)	516	538	519	533	538
	Kingston-Pembroke (515)	185	186	179	175	178
	Greater Toronto Area[1] (530)	**2,153**	**2,145**	**2,227**	**2,257**	**2,342**
	Central	**1,171**	**1,210**	**1,228**	**1,251**	**1,264**
	Muskoka-Kawarthas (520)	142	144	156	158	159
	Kitchener-Waterloo-Barrie (540)	466	482	480	493	508
	Hamilton-Niagara Peninsula (550)	563	584	592	601	597
	Southwest	**708**	**724**	**702**	**721**	**722**
	London (560)	293	298	294	290	293
	Windsor-Sarnia (570)	273	278	273	282	277
	Stratford-Bruce Peninsula (580)	142	149	135	149	152
	North	**356**	**357**	**376**	**374**	**362**
	Northeast (590)	247	245	257	258	252
	Northwest (595)	109	112	119	116	110

* Average based on first eleven months only, calculated by Ontario Ministry of Finance. Numbers may not add to totals due to rounding. Standard deviations vary significantly across regions, decreasing as the size of the region increases.

Note: 1. Labour Force Survey region of Toronto (530) closely matches the GTA, except that it excludes the city of Burlington.

Sources: Statistics Canada and Ontario Ministry of Finance.

Table 34 — Ontario, Employment by Industry for Labour Force Regions, 1996

		All Industries (thousands)	Agriculture	Resources[1]	Manufacturing
Ontario		**5,311**	**117**	**43**	**988**
Region:	**East**	**708**	**17**	**3**	**70**
	Ottawa (510)	533	11	..	49
	Kingston-Pembroke (515)	175	6	..	22
	Greater Toronto Area (530)	**2,257**	**9**	**3**	**449**
	Central	**1,251**	**39**	**5**	**275**
	Muskoka-Kawarthas (520)	158	5	2	29
	Kitchener-Waterloo-Barrie (540)	493	16	..	115
	Hamilton-Niagara Peninsula (550)	601	18	2	131
	Southwest	**721**	**48**	**2**	**150**
	London (560)	290	13	..	52
	Windsor-Sarnia (570)	282	9	..	72
	Stratford-Bruce Peninsula (580)	149	25	..	26
	North	**374**	**4**	**30**	**45**
	Northeast (590)	258	3	24	27
	Northwest (595)	116	..	6	18

Table 34 (continued)

		Construction (thousands)	TCU[2]	Trade[3]	FIRE[4]
Ontario		**267**	**383**	**908**	**337**
Region:	**East**	**34**	**54**	**111**	**35**
	Ottawa (510)	23	41	78	29
	Kingston-Pembroke (515)	12	13	33	6
	Greater Toronto Area (530)	**101**	**178**	**385**	**186**
	Central	**74**	**72**	**227**	**66**
	Muskoka-Kawarthas (520)	12	9	30	7
	Kitchener-Waterloo-Barrie (540)	30	25	87	28
	Hamilton-Niagara Peninsula (550)	33	38	111	31
	Southwest	**40**	**52**	**123**	**35**
	London (560)	15	18	51	18
	Windsor-Sarnia (570)	16	17	49	11
	Stratford-Bruce Peninsula (580)	9	16	23	5
	North	**18**	**28**	**62**	**15**
	Northeast (590)	12	18	44	11
	Northwest (595)	6	10	18	5

Table 34 (continued) Ontario, Employment by Industry for Labour Force Regions, 1996

		Health, Education & Welfare (thousands)	Business Services (thousands)	Personal Services[5] (thousands)
Ontario		**840**	**400**	**554**
Region:	**East**	**130**	**57**	**74**
	Ottawa (510)	92	48	56
	Kingston-Pembroke (515)	37	9	18
	Greater Toronto Area (530)	**317**	**231**	**223**
	Central	**201**	**69**	**132**
	Muskoka-Kawarthas (520)	29	7	16
	Kitchener-Waterloo-Barrie (540)	75	30	49
	Hamilton-Niagara Peninsula (550)	96	32	67
	Southwest	**119**	**32**	**78**
	London (560)	56	15	29
	Windsor-Sarnia (570)	44	12	35
	Stratford-Bruce Peninsula (580)	19	5	14
	North	**74**	**11**	**47**
	Northeast (590)	51	8	32
	Northwest (595)	23	3	15

Table 34 (continued)

		Other Services[6] (thousands)	Public Administration (thousands)
Ontario		**183**	**290**
Region:	**East**	**25**	**98**
	Ottawa (510)	20	85
	Kingston-Pembroke (515)	5	13
	Greater Toronto Area (530)	**86**	**89**
	Central	**38**	**53**
	Muskoka-Kawarthas (520)	5	8
	Kitchener-Waterloo-Barrie (540)	14	22
	Hamilton-Niagara Peninsula (550)	19	23
	Southwest	**21**	**22**
	London (560)	10	11
	Windsor-Sarnia (570)	8	7
	Stratford-Bruce Peninsula (580)	3	4
	North	**13**	**27**
	Northeast (590)	9	19
	Northwest (595)	3	8

.. Employment numbers under 1,500 are suppressed because of statistical reliability.
Numbers may not add to totals due to rounding. See standard deviation note for Table 33.

Notes: 1. Includes Fishing, Trapping, Logging, Forestry and Mining.
2. Includes the sum of Transportation, Storage, Communication and Other Utilities.
3. Includes Wholesale and Retail Trade.
4. Includes Finance, Insurance and Real Estate.
5. Includes Personal, Accommodation & Food, and Amusement & Recreational Services.
6. Includes Miscellaneous Services and Religious Organizations.

Sources: Statistics Canada and Ontario Ministry of Finance.

Table 35 **Canada, Employment by Industry, 1987-1996**

	1987	1988	1989	1990	1991
	(thousands)				
Goods Producing Industries	**3,728**	**3,873**	**3,928**	**3,809**	**3,582**
Primary Industries	770	758	742	739	752
Agriculture	474	451	438	441	457
Manufacturing	2,127	2,214	2,235	2,105	1,956
Construction	708	765	809	824	732
Utilities	123	135	142	142	142
Services Producing Industries	**8,695**	**8,946**	**9,158**	**9,356**	**9,334**
Transportation, Storage and Communication	820	816	867	854	819
Transportation & Storage	520	518	540	536	531
Communication	300	298	327	318	288
Trade	2,205	2,272	2,293	2,356	2,276
Wholesale	574	595	594	618	589
Retail	1,631	1,677	1,699	1,738	1,687
Finance, Insurance and Real Estate	732	763	769	790	794
Community, Business and Personal Services	4,090	4,244	4,351	4,487	4,572
Education	818	844	836	863	888
Health & Social Services	1,096	1,133	1,161	1,202	1,253
Business Services	598	655	700	736	748
Accommodation, Food & Beverage Services	737	754	780	808	808
Amusement & Recreation	152	154	161	160	168
Personal & Household Services	315	339	324	312	314
Other Services	372	365	390	406	394
Public Administration	848	850	879	869	873
Federal	292	300	306	301	313
Provincial	292	275	294	281	280
Local	262	274	278	286	279
Total Employment	**12,422**	**12,819**	**13,086**	**13,165**	**12,916**

Table 35 (continued) Canada, Employment by Industry, 1987-1996

	(thousands)				
	1992	1993	1994	1995	1996
Goods Producing Industries	**3,457**	**3,448**	**3,545**	**3,653**	**3,681**
Primary Industries	704	710	702	727	733
Agriculture	437	450	425	431	453
Manufacturing	1,879	1,893	1,949	2,061	2,082
Construction	717	694	750	724	719
Utilities	156	150	144	142	147
Services Producing Industries	**9,385**	**9,567**	**9,746**	**9,852**	**9,994**
Transportation, Storage and Communication	815	811	834	890	872
Transportation & Storage	530	515	523	561	553
Communication	285	296	311	329	319
Trade	2,267	2,253	2,314	2,307	2,361
Wholesale	582	591	609	608	634
Retail	1,685	1,662	1,705	1,699	1,728
Finance, Insurance and Real Estate	804	810	788	809	800
Community, Business and Personal Services	4,621	4,790	4,932	5,036	5,141
Education	925	927	959	944	929
Health & Social Services	1,273	1,312	1,316	1,340	1,353
Business Services	715	744	823	867	919
Accommodation, Food & Beverage Services	806	819	838	861	893
Amusement & Recreation	176	184	206	212	221
Personal & Household Services	329	354	344	352	357
Other Services	397	449	447	460	469
Public Administration	879	903	877	810	820
Federal	308	315	296	283	287
Provincial	286	283	307	264	261
Local	284	302	271	260	268
Total Employment	**12,842**	**13,015**	**13,292**	**13,506**	**13,676**

Source: Statistics Canada.

Table 36 **Canada, Growth in Employment by Industry, 1987-1996**

	(per cent change)				
	1987	1988	1989	1990	1991
Goods Producing Industries	**2.3**	**3.9**	**1.4**	**-3.0**	**-6.0**
Primary Industries	0.1	-1.6	-2.1	-0.4	1.8
Agriculture	-0.4	-4.9	-2.9	0.7	3.6
Manufacturing	1.4	4.1	0.9	-5.8	-7.1
Construction	8.6	8.1	5.8	1.9	-11.2
Utilities	-0.8	9.8	5.2	0.0	0.0
Services Producing Industries	**2.9**	**2.9**	**2.4**	**2.2**	**-0.2**
Transportation, Storage and Communication	1.0	-0.5	6.3	-1.5	-4.1
Transportation & Storage	-0.4	-0.4	4.2	-0.7	-0.9
Communication	3.4	-0.7	9.7	-2.8	-9.4
Trade	1.3	3.0	0.9	2.7	-3.4
Wholesale	-2.5	3.7	-0.2	4.0	-4.7
Retail	2.8	2.8	1.3	2.3	-2.9
Finance, Insurance and Real Estate	6.1	4.2	0.8	2.7	0.5
Community, Business and Personal Services	3.8	3.8	2.5	3.1	1.9
Education	2.4	3.2	-0.9	3.2	2.9
Health & Social Services	5.3	3.4	2.5	3.5	4.2
Business Services	8.5	9.5	6.9	5.1	1.6
Accommodation, Food & Beverage Services	4.2	2.3	3.4	3.6	0.0
Amusement & Recreation	-1.3	1.3	4.5	-0.6	5.0
Personal & Household Services	-6.3	7.6	-4.4	-3.7	0.6
Other Services	5.1	-1.9	6.8	4.1	-3.0
Public Administration	2.3	0.2	3.4	-1.1	0.5
Federal	-0.3	2.7	2.0	-1.6	4.0
Provincial	6.6	-5.8	6.9	-4.4	-0.4
Local	0.4	4.6	1.5	2.9	-2.4
Total Employment	**2.7**	**3.2**	**2.1**	**0.6**	**-1.9**

Table 36 (continued) **Canada, Growth in Employment by Industry, 1987-1996**

	(per cent change)				
	1992	1993	1994	1995	1996
Goods Producing Industries	**-3.5**	**-0.3**	**2.8**	**3.0**	**0.8**
Primary Industries	-6.4	0.9	-1.1	3.6	0.8
Agriculture	-4.4	3.0	-5.6	1.4	5.1
Manufacturing	-3.9	0.7	3.0	5.7	1.0
Construction	-2.0	-3.2	8.1	-3.5	-0.7
Utilities	9.9	-3.8	-4.0	-1.4	3.5
Services Producing Industries	**0.5**	**1.9**	**1.9**	**1.1**	**1.4**
Transportation, Storage and Communication	-0.5	-0.5	2.8	6.7	-2.0
Transportation & Storage	-0.2	-2.8	1.6	7.3	-1.4
Communication	-1.0	3.9	5.1	5.8	-3.0
Trade	-0.4	-0.6	2.7	-0.3	2.3
Wholesale	-1.2	1.5	3.0	-0.2	4.3
Retail	-0.1	-1.4	2.6	-0.4	1.7
Finance, Insurance and Real Estate	1.3	0.7	-2.7	2.7	-1.1
Community, Business and Personal Services	1.1	3.7	3.0	2.1	2.1
Education	4.2	0.2	3.5	-1.6	-1.6
Health & Social Services	1.6	3.1	0.3	1.8	1.0
Business Services	-4.4	4.1	10.6	5.3	6.0
Accommodation, Food & Beverage Services	-0.2	1.6	2.3	2.7	3.7
Amusement & Recreation	4.8	4.5	12.0	2.9	4.2
Personal & Household Services	4.8	7.6	-2.8	2.3	1.4
Other Services	0.8	13.1	-0.4	2.9	2.0
Public Administration	0.7	2.7	-2.9	-7.6	1.2
Federal	-1.6	2.3	-6.0	-4.4	1.4
Provincial	2.1	-1.0	8.5	-14.0	-1.1
Local	1.8	6.3	-10.3	-4.1	3.1
Total Employment	**-0.6**	**1.3**	**2.1**	**1.6**	**1.3**

Source: Statistics Canada.

Economic Regions by Census Division

East
Stormont, Dundas and Glengarry United Counties
Prescott and Russell United Counties
Ottawa-Carleton Regional Municipality
Leeds and Grenville United Counties
Lanark County
Frontenac County
Lennox and Addington County
Hastings County
Prince Edward County
Renfrew County

Central
Northumberland County
Peterborough County
Victoria County
Dufferin County
Wellington County
Hamilton-Wentworth Regional Municipality
Niagara Regional Municipality
Haldimand-Norfolk Regional Municipality
Brant County
Waterloo Regional Municipality
Simcoe County
Muskoka District Municipality
Haliburton County

North
Nipissing District
Parry Sound District
Manitoulin District
Sudbury District
Sudbury Regional Municipality
Timiskaming District
Cochrane District
Algoma District
Thunder Bay District
Rainy River District
Kenora District

Greater Toronto Area (GTA)
Durham Regional Municipality
York Regional Municipality
Peel Regional Municipality
Halton Regional Municipality
Municipality of Metropolitan Toronto

Southwest
Perth County
Oxford County
Elgin County
Kent County
Essex County
Lambton County
Middlesex County
Huron County
Bruce County
Grey County

Ontario Labour Force Survey Regions[1]

East

Ottawa (510)	The united counties of Stormont, Dundas and Glengarry, Prescott and Russell, Leeds and Grenville, the county of Lanark and the Ottawa-Carleton Regional Municipality
Kingston-Pembroke (515)	The counties of Frontenac, Lennox and Addington, Hastings, Prince Edward and Renfrew

Central

Muskoka-Kawarthas (520)	The counties of Northumberland, Peterborough, Victoria, Haliburton, and the Muskoka District Municipality
Kitchener-Waterloo-Barrie (540)	The counties of Dufferin, Wellington, and Simcoe and the Waterloo Regional Municipality
Hamilton-Niagara Peninsula (550)	The county of Brant, the Regional Municipalities of Hamilton-Wentworth, Niagara, Haldimand-Norfolk and the city of Burlington in the Halton Regional Municipality

Greater Toronto Area[2]

Toronto (530)	The Municipality of Metropolitan Toronto, the Regional Municipalities of Durham, York, Peel and Halton (excluding the city of Burlingon)

Southwest

London (560)	The counties of Oxford, Elgin and Middlesex
Windsor-Sarnia (570)	The counties of Kent, Lambton and Essex
Stratford-Bruce Peninsula (580)	The counties of Perth, Huron, Bruce and Grey

North

Northeast (590)	The districts of Nipissing, Parry Sound, Manitoulin, Sudbury, Timiskaming, Cochrane, Algoma, and the Sudbury Regional Municipality
Northwest (595)	The districts of Thunder Bay, Rainy River and Kenora

1. As defined by Statistics Canada.
2. Labour Force Survey Region 530 closely matches the GTA, except that it excludes the city of Burlington.

Ontario

PROTECTING OUR ENVIRONMENT
Ontario

Ministry of
Finance

Ontario

1998

Ontario Economic Outlook and Fiscal Review

The Honourable Ernie Eves, Q.C.
Minister of Finance

Ontario

1998

Ontario Economic Outlook and Fiscal Review

The Honourable Ernie Eves, Q.C.
Minister of Finance

General enquiries regarding the *1998 Ontario Economic Outlook and Fiscal Review* should be directed to:

Ministry of Finance
95 Grosvenor Street, Queen's Park
Frost Building North, 3rd Floor
Toronto, Ontario M7A 1Z1
Telephone (416) 325-0333

Copies are available free from:
Publications Ontario Bookstore
880 Bay Street, Toronto M7A 1N8
Telephone (416) 326-5300

Out-of-town customers call:	1-800-668-9938
Teletypewriter (TTY)	1-800-268-7095

Or call:

Ministry of Finance	1-800-263-7965
French Language Enquiries	1-800-668-5821
Teletypewriter (TTY)	1-800-263-7776

For electronic copies of the documents, visit our WEB site at
http://www.gov.on.ca/FIN/hmpage.html

ISSN 1483-5967
ISBN 0-7778-8088-1

Le document *Perspectives économiques et revue financière de l'Ontario* est disponible en français.

Table of Contents

Introduction

Over the past three and a half years, the Government has implemented common-sense policies to strengthen the Ontario economy and create jobs. In keeping its promises the Government has:

- **Cut taxes 66 times;**
- **Surpassed its deficit-reduction targets;**
- **Provided the foundation for economic growth by stimulating skills development and R&D, and removing barriers to job creation and investment; and**
- **Provided more efficient, open and accountable public services.**

These policies have contributed to healthy economic growth and strong job creation in Ontario. Since September 1995, 408,000 net new jobs have been created in Ontario. The vast majority of these have been full-time, private-sector jobs.

Ontario needs to build on these successes to ensure continued economic growth and prosperity in the years ahead. Premier Harris has created the Ontario Jobs and Investment Board and has invited Ontarians to help develop an economic strategy and vision for Ontario in the 21st century through a series of Conferences on Jobs and Prosperity.

These conferences are being held this fall in all regions of the province. Community and business participants are addressing three challenging issues:

- How to prepare people for tomorrow's jobs;
- How to create infrastructure to support growth and competitiveness; and
- How to create an innovation culture.

The first two sections of this document describe the economic and fiscal actions taken by the Government and the positive results that Ontarians continue to witness. The third section reviews the outlook for continued economic growth in Ontario. The final section reports on progress made towards achieving the Government's goal of balancing the Ontario Budget.

A. Actions

- Cut Taxes
- Support Private-Sector Job Creation
- More Efficient and Effective Government
- Balance the Budget

Action: Cut Taxes

"Reducing taxes stimulates consumer spending and investment, a direct boost to job creation."

Common Sense Revolution, 1995

66 Tax Cuts in Three Years

Helping Individuals

- Personal Income Taxes — five cuts
- Ontario Tax Reduction — two enhancements
- Ontario Child Care Tax Credit
- Workplace Child Care Tax Incentive to encourage businesses to support child care facilities
- Land Transfer Tax — refund for first-time new home-buyers, plus two extensions, and elimination of the higher non-resident rate
- Expanded Retail Sales Tax rebate for purchases of vehicles to transport people with permanent physical disabilities
- Self-Employed Employer Health Tax — three cuts
- Workplace Accessibility Tax Incentive to assist businesses that hire people with disabilities

Jobs for Tomorrow

- Ontario New Technology Tax Incentive
- Ontario Business-Research Institute Tax Credit
- Capital Tax Deduction for R&D expenditures
- Co-operative Education Tax Credit, plus two enhancements
- Graduate Transitions Tax Credit, plus enhancement
- Modification of Add-back Rule for acquisition of foreign technology
- Ontario Computer Animation and Special Effects Tax Credit plus two enhancements
- Interactive Digital Media Tax Credit
- Film Production Services Tax Credit

Businesses

- Small Business Corporate Income Tax — nine cuts announced
- Employer Health Tax — three cuts
- Commercial and Industrial Education Property Tax — eight cuts announced
- Retail Sales Tax — a total of seven exemptions, extensions and expansions covering farm building materials, R&D, call centres and local coin phone calls
- Ontario Book Publishing Tax Credit, plus expansion
- Ontario Film and Television Tax Credit, plus enhancement and expansion, Ontario Sound Recording Tax Credit
- Race Tracks Tax rate cut

Action: Support Private-Sector Job Creation

"Meaningful and lasting jobs are created by the private sector. Governments can help by establishing an environment that supports job creation..."

Ontario Budget, 1998

Education and Skills

- Provided more mathematics, science and career education in schools
- Expanded co-operative education and school-to-work transition programs
- Doubling enrolment in computer science and high-demand engineering
- Funded partnerships with business and educators to meet growing demands for skills, including auto parts, telecommunications, metalworking, information technology and new media training
- Made post-secondary education more responsive to the market
- Created scholarships for graduate studies in science and technology
- Expanded access to post-secondary education for students with learning disabilities
- Enhanced student assistance for post-secondary students
- Reforming, modernizing and expanding the apprenticeship system

Innovation and R&D

- A $500-million provincial contribution to the Ontario Research and Development Challenge Fund
- Matching funds for Canada Foundation for Innovation Grants
- Enhancing tax incentives to support business-performed R&D and investment in new technology
- Tax incentives for business-sponsored R&D performed by Ontario universities, research hospitals and non-profit research centres
- Support for development of world-class research teams
- Telecommunications Access Partnerships program
- Interactive Digital Media Small Business Growth Fund

Removing Barriers

- Restored balance in labour relations, repealed job-quota legislation, reformed Workers' Compensation and froze the minimum wage
- Revised the Building Code, streamlined land-use planning processes and reduced development charges
- To date, eliminated over 800 unnecessary regulations

Action: More Efficient and Effective Government

"We will cut the size of government. We will provide the people of Ontario with better for less."

Common Sense Revolution, 1995

Streamlining the Public Sector

- Reduce the number of MPPs by 21 per cent, from 130 to 103, in future provincial elections
- Reduce the number of local politicians by 28 per cent
- Create fewer local governments and school boards that can deliver better services
- Introduce competition into the electric power sector

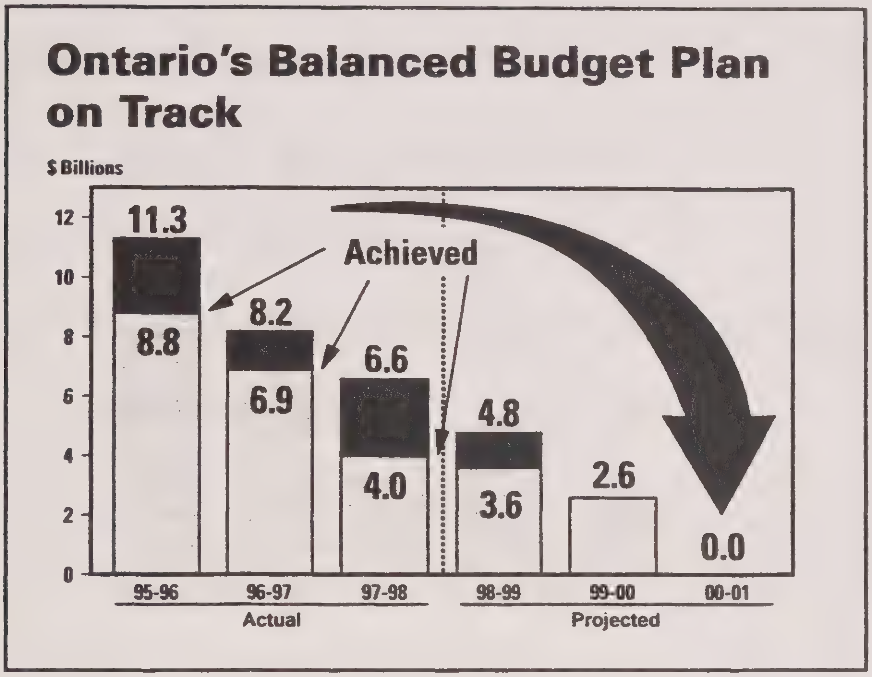
Providing More Efficient, Open and Accountable Public Services

- Developed and published annual ministry business plans, setting out key objectives and reporting on performance
- Reported salaries of public officials making $100,000 or more annually
- Implement better ways to deliver government services, including partnerships with the private sector
- Continue to advance public-sector accountability practices through the development of an accountability framework

Action: Balance the Budget

"A realistic plan to reduce the deficit and balance the budget is an important element in creating jobs for Ontarians."

Ontario Fiscal and Economic Statement, 1995



- The Government has exceeded its deficit-reduction target in each of the first three years in office and is on track to exceed its 1998-99 deficit-reduction target.

- The focus is on priority programs that are being delivered in more efficient and less costly ways.

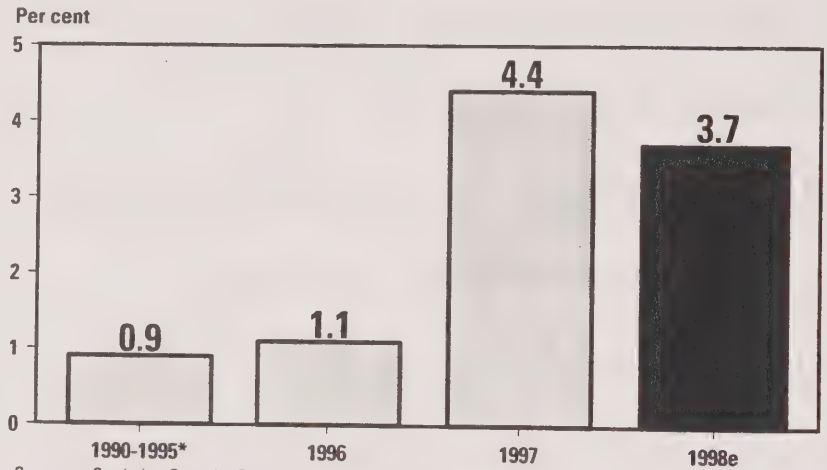
B. Results

- Solid Economic Growth
- Strong Job Creation in 1998
- Job Prospects Brighten for Youth
- Job Creation in All Regions
- Ontario Producing More Manufacturing Jobs
- Business Services a Major Job Creator
- Welfare Caseload Falling
- Jobs and Tax Cuts Boost Consumer Spending
- Housing Construction Strong
- Investment Growth Continues
- Exports Increasing

Result: Solid Economic Growth

The Ontario economy is once again a growth leader. Responsible economic and fiscal policies have helped set the stage for a rejuvenated economy. As a result, Ontario has recorded solid output gains in 1997 and into 1998.

Ontario Real GDP Growth



Sources: Statistics Canada, Ontario Ministry of Finance.
*= annual average, e = Ontario Ministry of Finance estimate.

- Ontario real GDP rose by 4.4 per cent in 1997, with strong gains recorded in residential construction, business investment in plant and equipment, consumer spending and exports.

- In the first quarter of 1998, real output increased by 5.8 per cent at annual rates. The rise in economic activity was led by strong growth in consumer spending and continued export growth.

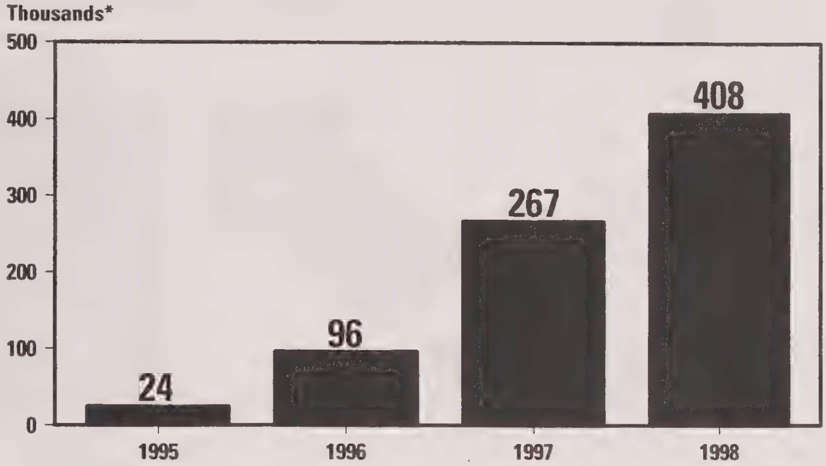
- The economy recorded moderate growth in the second quarter, with real GDP rising by 0.8 per cent, as collective bargaining disputes in the U.S. auto sector and Ontario construction industries constrained activity. Domestic spending remained robust, led by the strongest gain in consumer spending in over a decade.

- Estimated real GDP growth in 1998 is at least 3.7 per cent. This is still a cautious and prudent estimate. On average, private-sector forecasters are expecting real economic growth of 4.0 per cent in Ontario and 2.1 per cent for the rest of Canada this year.

Result: Strong Job Creation in 1998

Ontario's job market continued to gain ground in 1998, fuelled by tax cuts, a high level of competitiveness and low interest rates for much of the year.

Cumulative Job Creation Since September 1995

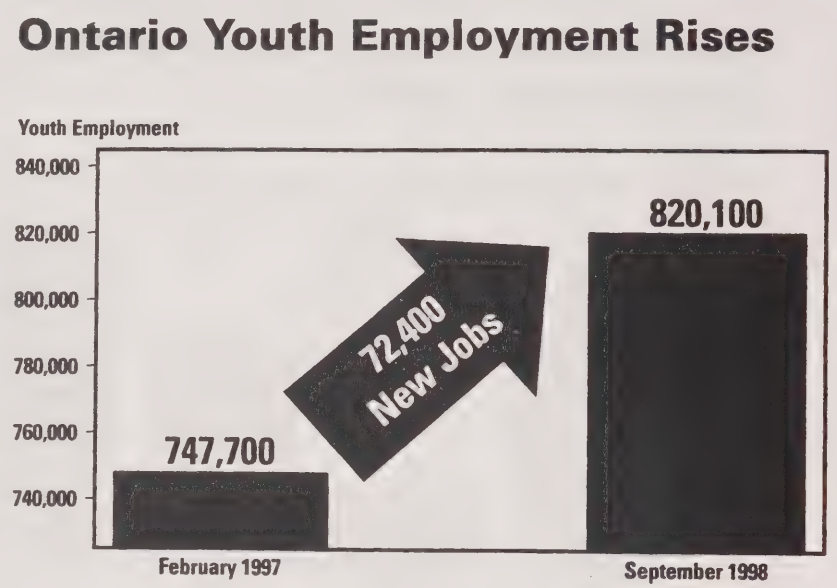


* Cumulative change from September 1995 to year-end employment level and September for 1998.
Source: Statistics Canada.

- The Ontario economy has generated 408,000 net new jobs since the Throne Speech in September 1995.
- The private sector has added 366,000 net new jobs while public-sector employment has increased by 42,000, mainly in health and education.
- 195,000 net new jobs have been created so far in 1998.
- 193,000 of these new jobs in 1998 are full-time jobs.
- The unemployment rate was 7.1 per cent in September 1998, down from 8.9 per cent when the Government took office, and well below the national unemployment rate of 8.3 per cent.

Result: Job Prospects Brighten for Youth

Young people are benefiting from Ontario's strong economic growth.

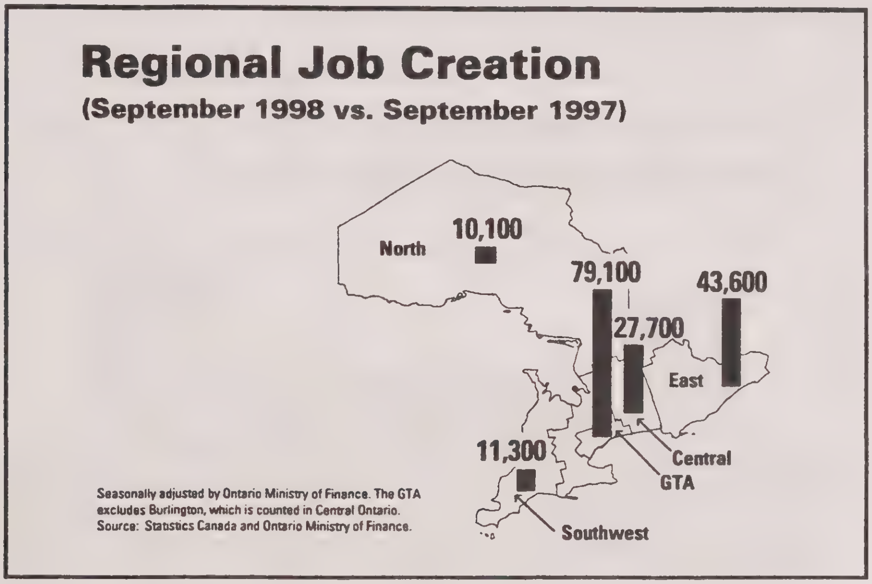


Source: Statistics Canada. Data are seasonally adjusted.

- Since February 1997, Ontario youth have gained 72,400 new jobs. In the past three months, over half of the job growth for young people in Canada has occurred in Ontario.
- Ontario's youth unemployment rate is now 14.0 per cent, down from 15.7 per cent a year ago. The average of all other provinces is 15.2 per cent.
- Ontario has the widest array of youth employment programs in Canada. This year, Ontario is spending $200 million on job opportunities and supports for over 166,000 youth, nearly 75 per cent more than four years earlier.
- In 1998, summer programs helped over 60,000 youth — the most this decade.

Result: Job Creation in All Regions

All of Ontario's five regional economies — the Greater Toronto Area, Central Ontario, Eastern Ontario, Southwestern Ontario and Northern Ontario — have created new jobs over the past year.



- The Greater Toronto Area, which accounts for about half of the provincial economy, has added over 79,000 jobs in the past year. Since September 1995, the region has added 213,000 jobs.

- Eastern Ontario's economy has grown the fastest in the last year. Strong growth in manufacturing, especially high-tech industries, and increased economic activity related to recovery from the ice storm have contributed to job creation.

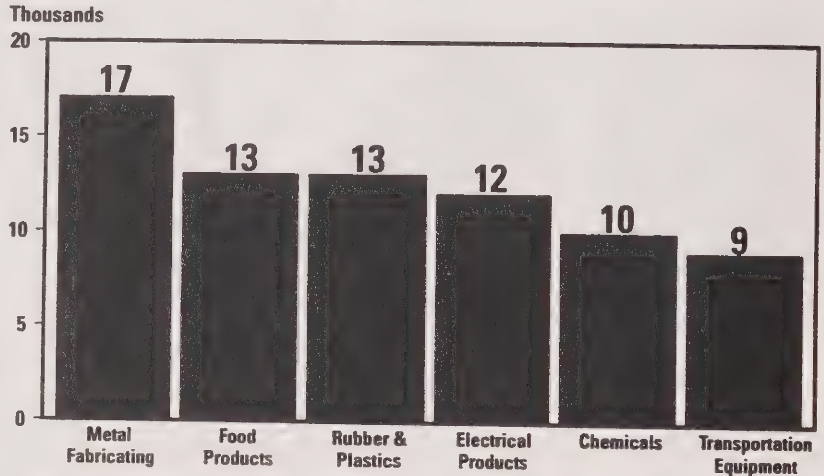
- Despite turbulence in commodity markets, job creation in the North remained positive in the past year.

- Among major urban areas, Hamilton's unemployment rate is the lowest in Canada — 4.6 per cent.

Result: Ontario Producing More Manufacturing Jobs

Strong export demand, lower taxes and a strong competitive position have helped Ontario's manufacturers generate 69,000 net new jobs in the past three years, more than the rest of Canada combined.

Key Job Creator: Manufacturing Industries*



*Jobs from September 1995 to September 1998.
Sources: Statistics Canada and Ontario Ministry of Finance.

- Ontario's transportation equipment industry, a key job creator and major manufacturing sector, has benefited from a business-friendly investment climate and competitive exchange rates. This sector, which includes autos and parts producers, has been operating at record levels for the last three years, generating 9,000 net new jobs. The transportation equipment sector has accounted for almost 17 per cent of Ontario's overall real GDP growth from 1994 to 1997.

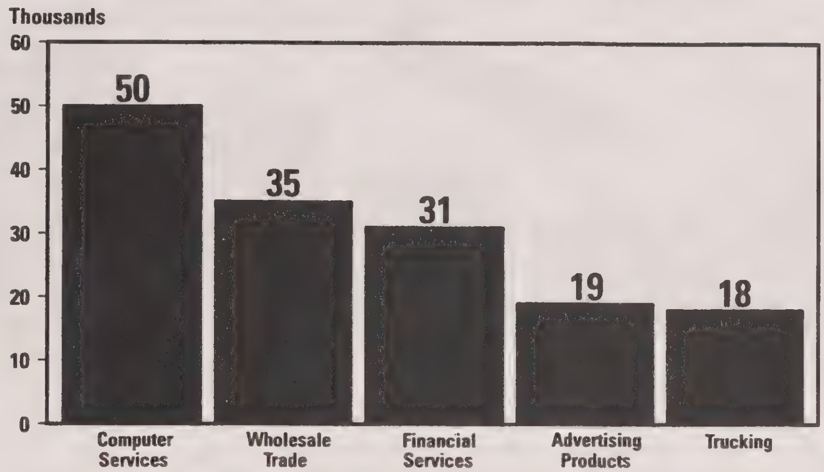
- Metal fabricating, profiting from the strong North American economy, has created the most jobs among manufacturing industries — 17,000 net new jobs over the last three years.

- Ontario's chemical, rubber and plastics manufacturers have added 23,000 net new jobs to the Provincial employment rolls. They have also prospered from strong North American demand and a business-friendly investment climate.

Result: Business Services a Major Job Creator

Ontario's business service industries have been the strongest job creators over the past three years.

Key Job Creator: Business Service Industries*



*Jobs from September 1995 to September 1998.
Sources: Statistics Canada and Ontario Ministry of Finance.

- Employment in computer services has expanded 78 per cent in the past three years, creating 50,000 net new jobs.

- As a result of strong interprovincial trade and healthy overall economic conditions, Ontario's wholesale trade industry has added 35,000 net new jobs to the Ontario economy.

- Despite recent volatility, Ontario's financial services industries have benefited from strong overall economic growth and strong capital markets over the last three years, creating 31,000 net new jobs.

- Job creation in the advertising and trucking sectors further illustrates that Ontario's expansion has been broadly based.

Result: Welfare Caseload Falling

The Government's welfare reforms and Ontario's sound economy are continuing to reduce dependence on welfare.

More People Leaving Welfare

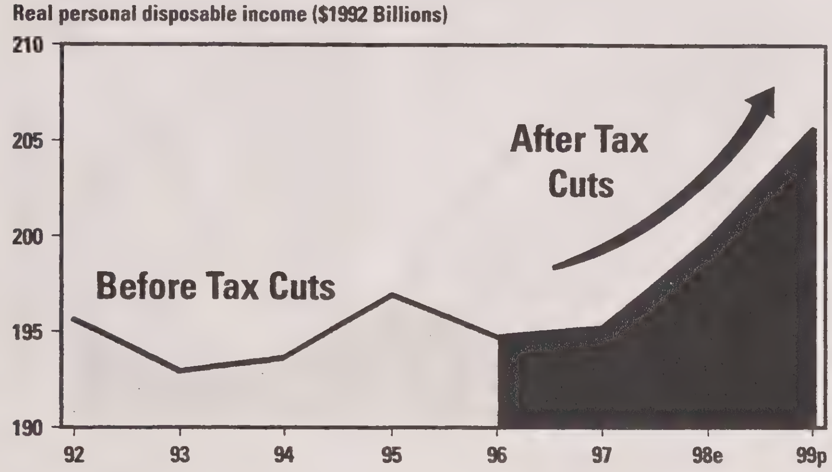
Source: Ontario Ministry of Community and Social Services.
*As of June 1998, welfare data exclude people with disabilities.

- Since June 1995, more than 323,000 people (including 133,000 children) have left welfare. In contrast, the welfare caseload never declined in the 1980s despite many years of strong job growth.
- Ontario Works, the workfare program now implemented across the province, focuses on returning welfare recipients to employment. To date, over 427,500 people have participated in one or more of the program's mandatory activities.
- Since the September 1995 Throne Speech, employment in Ontario has increased by 408,000 net new jobs. Welfare recipients are benefiting from this job growth. Independent studies commissioned by the Ministry of Community and Social Services show that about six out of ten people surveyed left welfare for job-related reasons.

Result: Jobs and Tax Cuts Boost Consumer Spending

Consumer spending has been boosted by income tax cuts, robust job gains and rising income.

Tax Cuts Increase Real Take-Home Pay



Sources: Statistics Canada, Ontario Ministry of Finance and Survey of Private-Sector Forecasts (October 1998).
e = estimate, p = private-sector projection.

- Real consumption grew 2.3 per cent in the second quarter of 1998 over the previous quarter, the strongest performance in over a decade.

- Retail sales were up 8.9 per cent for the first eight months in 1998 from the same period a year earlier.

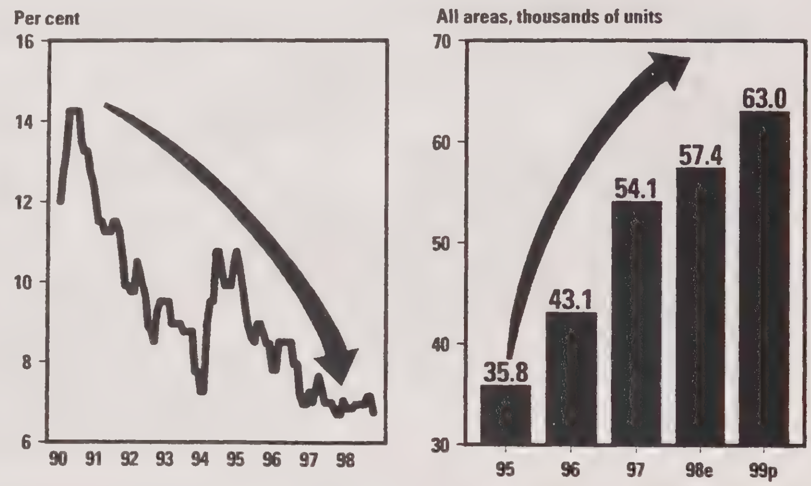
- Unit auto sales rose 7.4 per cent over the first eight months of 1998, following a gain of 19.3 per cent in 1997.

- Department store sales were up 8.4 per cent over the first eight months of 1998 after the record-high gain of 11.2 per cent last year.

Result: Housing Construction Strong

Robust employment growth, low mortgage rates and rising income are leading to strong housing growth. This year the number of housing units started is expected to be 60 per cent above its 1995 level.

Canadian Five-Year Mortgage Rate | **Ontario Housing Starts**



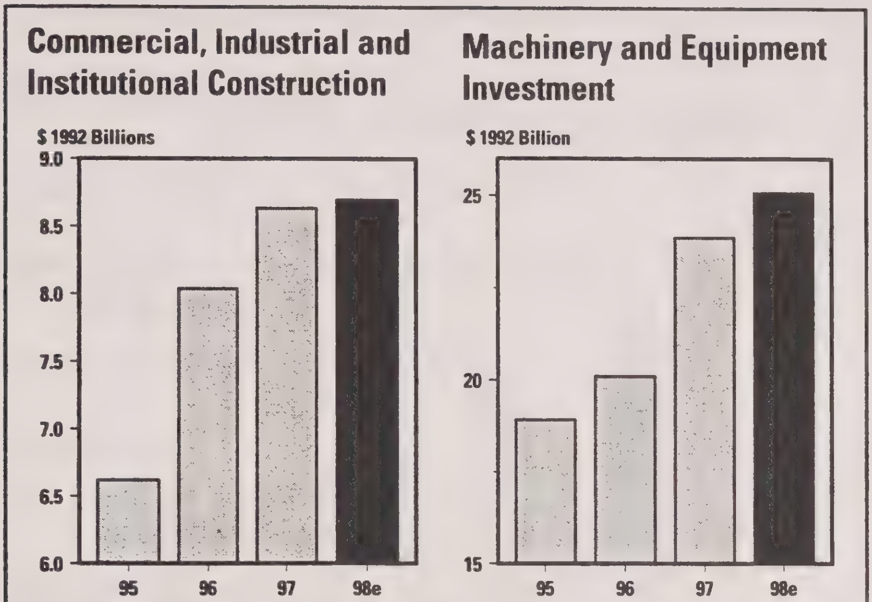
Source: Bank of Canada.

Sources: CMHC and Ontario Ministry of Finance.
e = estimate, p = CMHC projection.

- Mortgage rates are low. The cost of a five-year mortgage is now 6.75 per cent.
  - Over the first half of the year, Ontario real residential construction rose 12.1 per cent above last year.
  - Over the first nine months of 1998, Toronto-area new home sales rose 5.2 per cent from levels a year earlier. In September, Toronto-area resales were up 4.5 per cent from a year ago.
  - According to the Canada Mortgage and Housing Corporation, Ontario housing starts are projected to rise to 63,000 in 1999.

Result: Investment Growth Continues

The real value of Ontario business investment in machinery and equipment has risen 44 per cent over the period from 1995 to 1998.

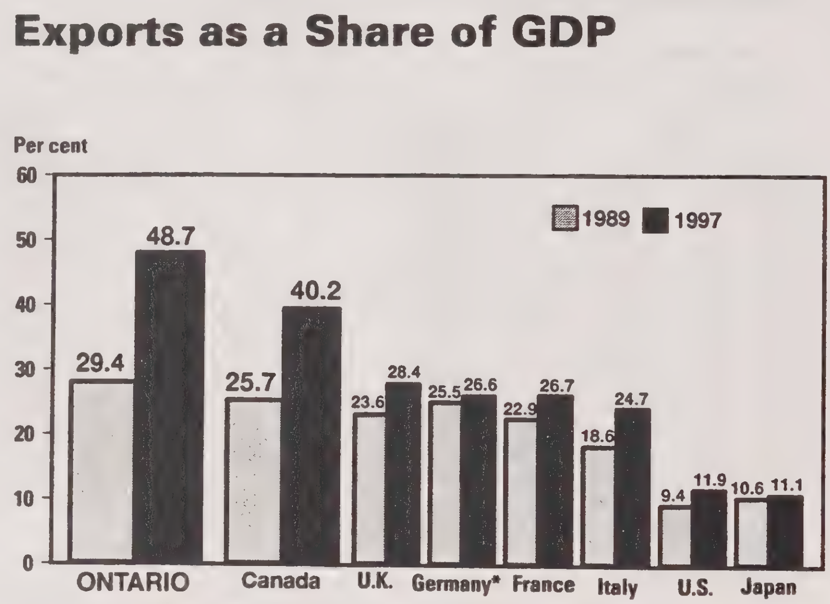


Sources: Statistics Canada and Ontario Ministry of Finance.
e = estimate.

- Real investment in commercial, industrial and institutional construction rose 28 per cent from 1995 to 1998.
  - Industrial, commercial and institutional building permits have increased 33.3 per cent so far this year.
  - The Toronto office vacancy rate fell to 7.8 per cent in September 1998. This year marks the first time that vacancies have dipped below the 10.0 per cent mark since 1989.

Result: Exports Increasing

Ontario's export orientation has increased sharply since the Canada-U.S. Free Trade Agreement, rising from 29.4 per cent of GDP in 1989 to 48.7 per cent in 1997. International exports as a share of the economy are larger in Ontario than in any other province or any major industrial country.



Sources: OECD, Statistics Canada and Ontario Ministry of Finance. *1991 and 1997.

- Ninety per cent of Ontario's exports go to the United States. Merchandise exports have grown by 6.7 per cent over the first eight months of 1998.
- Machinery and equipment exports have led growth, up 15.9 per cent so far in 1998, followed by consumer goods up 10.7 per cent and industrial goods up 4.4 per cent.
- Automotive exports have risen 1.5 per cent so far this year, despite temporary plant closures due to strikes in the United States.
- Telecommunications and computer-related Canadian exports have risen by 24 per cent so far in 1998.

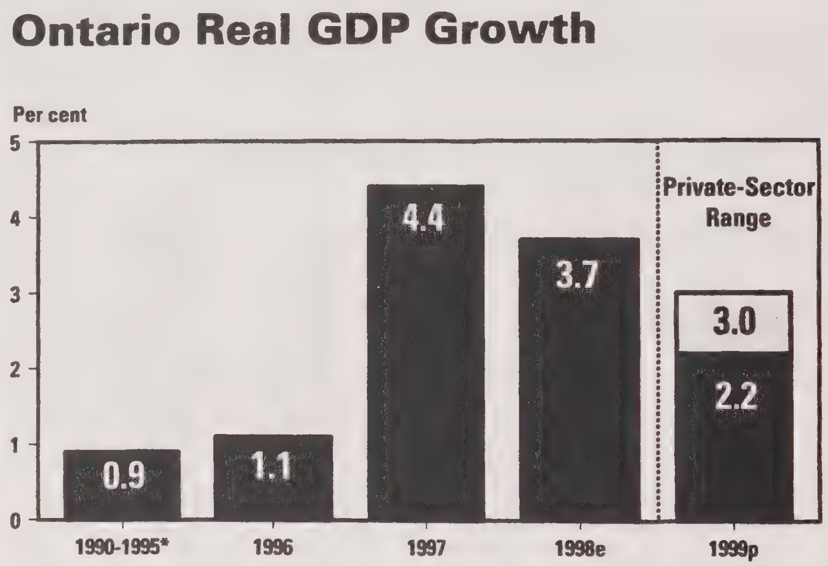
C. Economic Outlook

- Continued Economic Growth
- Inflation Remains Low
- Cut EI Premiums to Create Jobs
- Ontario Well Positioned Globally
- Interest Rates Remain Low
- Conclusion

Continued Economic Growth

"Ontario is expanding quickly... Lower tax rates and a large share of high-technology industries will help to keep Ontario at the top of the provincial growth rankings over the next decade."

DRI/McGraw-Hill, October 1998



Sources: Statistics Canada, Ontario Ministry of Finance and Survey of Private-Sector Forecasts (October 1998).
*= annual average, e = estimate, p = private-sector projection.

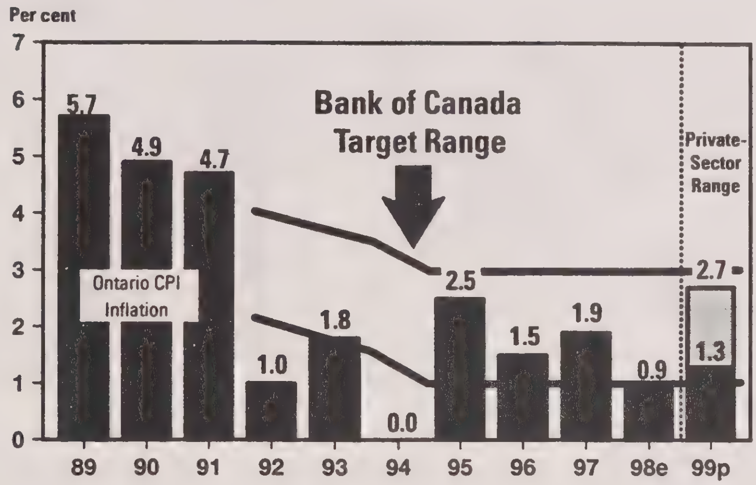
Private-sector forecasters are confident that the Ontario economy will continue to grow. Private-sector forecasting for real growth ranges from 3.0 to 2.2 per cent for 1999. The pace of expansion is expected to exceed the growth rate of the rest of Canada.

The Ontario Government bases its fiscal plans on cautious and prudent assumptions about the economy to ensure targets can be met and goals achieved.

Inflation Remains Low

The Canadian inflation rate was 0.7 per cent in September 1998, below the low end of the Bank of Canada's target range. The Bank of Canada's inflation target is 1 to 3 per cent.

Consumer Price Inflation

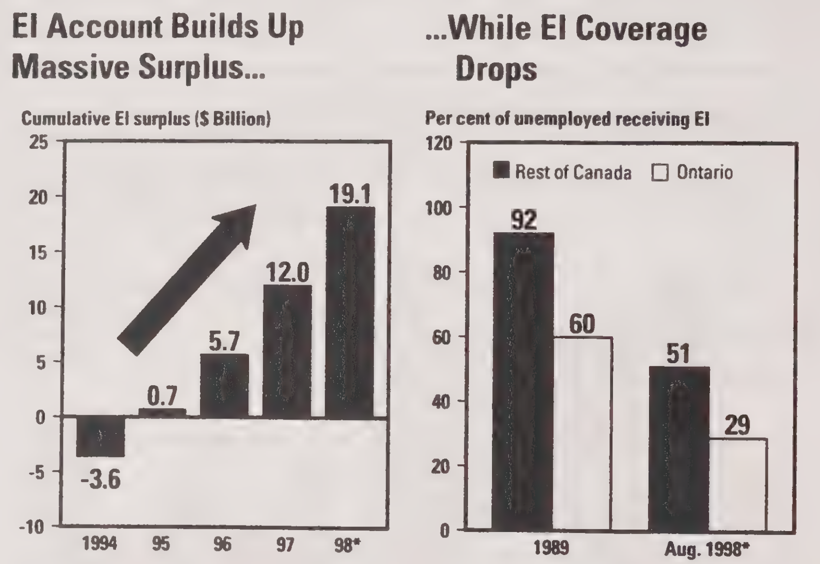


Sources: Statistics Canada, Bank of Canada, Ontario Ministry of Finance and Survey of Private-Sector Forecasts (October 1998) e = estimate, p = private-sector projections.

- Most private-sector forecasters expect inflation to return to the lower half of the Bank of Canada's 1 to 3 per cent target band in 1999. Some others expect inflation to rise temporarily in 1999 because of the decline in the dollar.
- Low inflation reflects the ample availability of domestic productive capacity, rising productivity, strong global competition, and the depreciation of East Asian currencies.
- Sustained low inflation will help to keep interest rates low.

Cut EI Premiums to Create Jobs

Employment Insurance (EI) premiums are too high and are killing jobs.



*Estimated.
Sources: Statistics Canada and Human Resources Development Canada.

*Seasonally adjusted data.
Source: Statistics Canada, regular beneficiaries.

- According to the EI Chief Actuary, the EI Account will have accumulated a surplus of $19 billion by the end of 1998.
- Ontarians have a huge stake in this issue. In 1997, Ontario's workers and employers contributed $4.6 billion more in premiums than they received in benefits. Since 1994, Ontarians have accounted for about two-thirds of the accumulated surplus.
- The share of unemployed Canadians receiving EI benefits fell sharply in the 1990s. Ontarians continue to be the least likely to receive benefits.
- Cutting EI premiums from $2.70 to $2.20 per $100 of insurable earnings and eliminating premiums for youth and their employers would create up to 200,000 jobs nationally, without affecting EI benefits.
- EI premium cuts are effective in creating jobs because they lower the cost of hiring labour. They also benefit low- to middle-income workers most.

Ontario Well Positioned Globally

Ontario's economy is diversified and open. World economic events such as the unfolding situation in Asia affect Ontario mainly through their impact on our major trading partners, world capital flows and commodity prices. Ontario exports are oriented primarily to the U.S. market and consist mainly of finished consumer goods and capital goods. This means that Ontario is less exposed to instability in Asia and difficulties in the world's commodity markets than other parts of Canada.

- Ontario's major export market, by far, is the United States, followed by the European Union and the Pacific Rim. Ontario exports to Asia represent three per cent of total exports, equivalent to only 1.3 per cent of GDP.

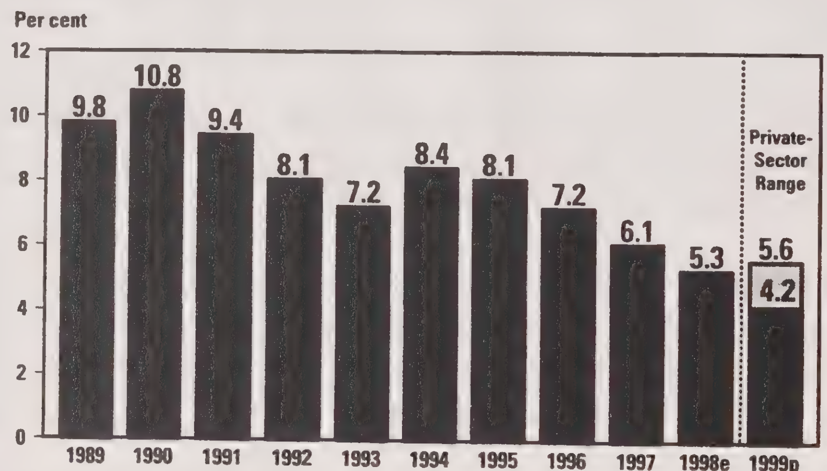
- The U.S. market buys 90 per cent of Ontario's international exports. According to the average private-sector forecast, U.S. economic growth will continue at 2.1 per cent in 1999.

- With primary industries accounting for under two per cent of GDP, Ontario has the least resource-based economy of all the provinces. As a result, the sharp decline of commodity prices will not have a large impact on Ontario's overall economic performance.

Interest Rates Remain Low

Central banks have demonstrated that they are prepared to lower interest rates significantly in order to sustain non-inflationary growth. The Bank of Canada has joined the U.S. Federal Reserve in lowering short-term interest rates by 50 basis points. The 10-year Government of Canada Bond rate is at its lowest level in over 30 years as a result of low inflation and the progress that governments have made in reducing their deficits.

10-Year Government of Canada Bond Rate



Sources: Bank of Canada and Survey of Private-Sector Forecasts (October 1998).
e = estimate, p = private-sector projection.

- Private-sector forecasters expect short- and long-term interest rates to remain low.

Interest Rate Outlook
(Annual average per cent)

	1997	1998e	1999p
3-month treasury bill	3.3	4.7	3.7 - 4.8
10-year government bonds	6.1	5.3	4.2 - 5.6

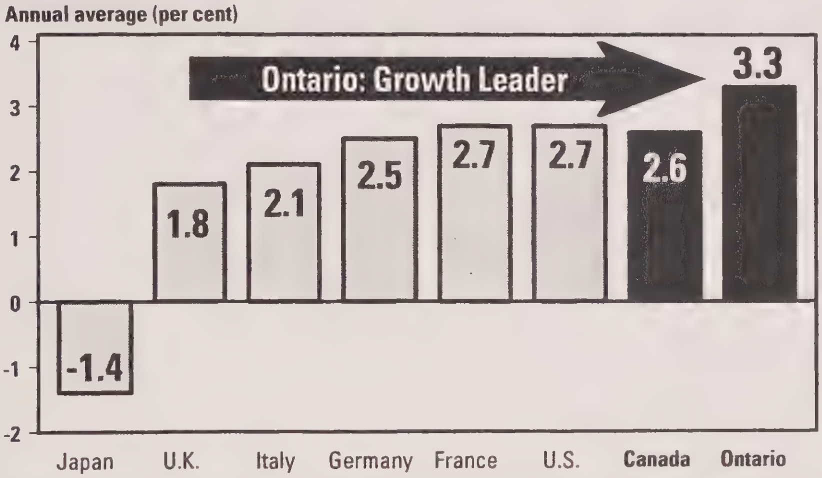
Sources: Bank of Canada and Survey of Private-Sector Forecasts (October 1998).
e=estimate, p=private-sector projection.

Conclusion

The outlook for the Ontario economy is very positive. Job creation is continuing at a near record pace. Private-sector economists expect Ontario growth to average 3.3 per cent over the 1998 and 1999 period, faster than Canada as a whole or any of the G-7 major industrial countries.

These forecasts of continued economic growth take into account the current unrest in global markets.

Average Real GDP Growth, 1998 and 1999: Ontario and G-7



Sources: *Consensus Forecasts*(October 1998) and Survey of Private-Sector Forecasts (October 1998).

D. Ontario's Fiscal Plan

Introduction

When the Government took office in 1995-96, the deficit was projected to be $11.3 billion. The Province was spending over $1 million more per hour than it was collecting in revenues. Deficits of more than $10 billion had been recorded in each of the preceding four years, and debt had tripled over the preceding ten years.

Since 1995-96, the Government has made great progress toward restoring Ontario's finances through a program of controlling spending and cutting taxes to encourage economic growth.

The Government has consistently surpassed its annual deficit-reduction targets. The fiscal year 1998-99 will be the fourth consecutive year in which this Government has exceeded its deficit reduction target.

Despite significant progress, the job is not finished. Provincial debt stands at almost $110 billion, and will continue to grow until the budget is balanced in 2000-01. Public Debt Interest costs, at $9.2 billion, now account for 16 per cent of total government spending.

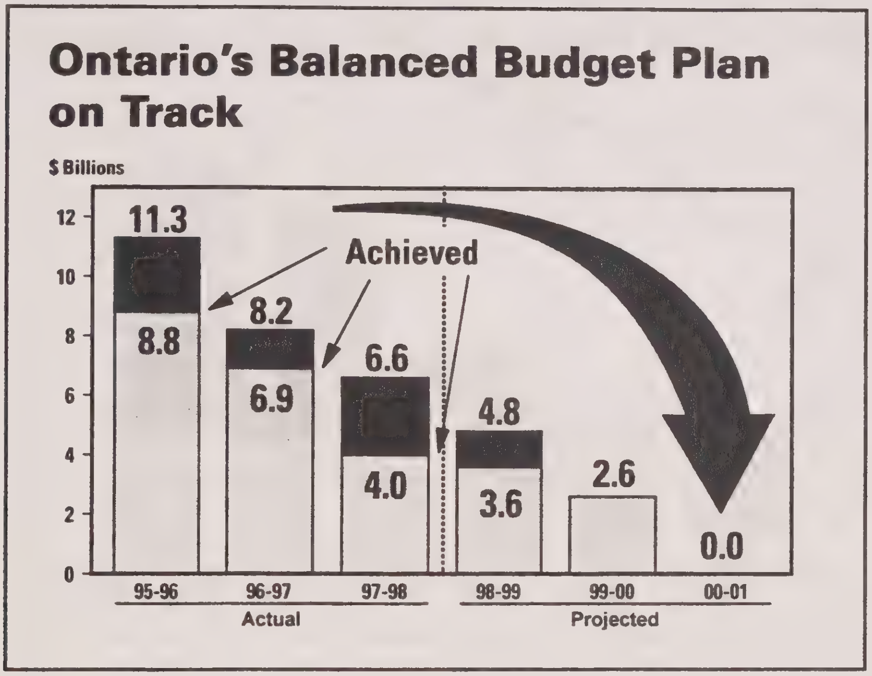
This section will:

- report on Ontario's recent fiscal performance;
- provide an update on the Province's 1998-99 fiscal outlook, based on results for the second quarter ending September 30; and
- review Ontario's financing and debt management plan.

On Track to Eliminate the Deficit

A Clear and Workable Plan

In the Fiscal and Economic Statement released in November 1995, the Government introduced its Balanced Budget Plan. The Plan set out declining annual deficit targets for the Province, culminating in a balanced budget in 2000-01. In each of the past three years, the Government has achieved a lower deficit than called for in the Balanced Budget Plan, and the Province is on track to exceed its 1998-99 deficit reduction target.



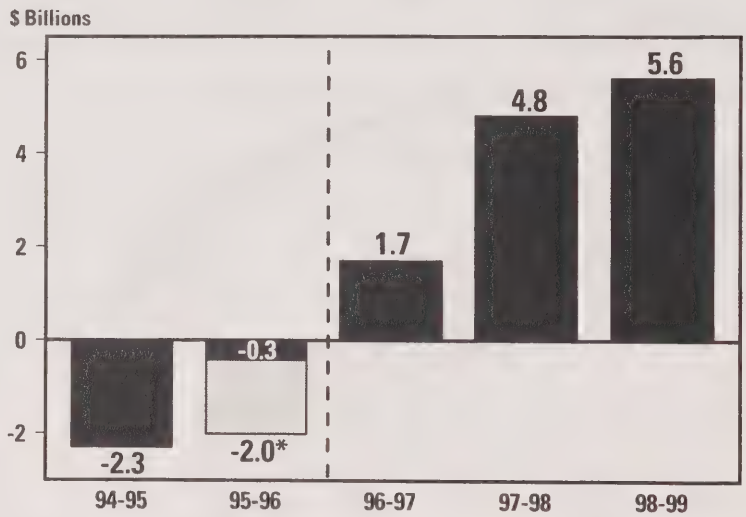
- As of September 30, the second-quarter outlook for the 1998-99 deficit is $3.6 billion, $661 million lower than the 1998 Budget forecast of $4.2 billion, and $1.2 billion below the original Balanced Budget Plan target of $4.8 billion.
- As reported in the recently released 1997-98 Public Accounts, the 1997-98 deficit was $4.0 billion, $2,614 million below the 1997 Budget target of $6.6 billion.
- The 1996-97 deficit, at $6.9 billion, was $1,275 million below the 1996 Budget target of $8.2 billion.
- In 1995-96, the deficit, at $8.8 billion, was $508 million lower than the $9.3 billion Balanced Budget Plan target for that year, and well below the $11.3 billion projected deficit faced by the Government upon assuming office.

Increasing the Operating Surplus

Ontario's total spending will equal revenue inflows when the budget is balanced in 2000-01. As the Government moves closer toward achieving this objective, the Province's operating surplus is growing.

The operating balance is an important fiscal measure also used by the federal government. It is calculated as the difference between total government revenue and total spending on all programs, not including public debt interest. By increasing the operating surplus, the Government is continuing to reduce its borrowing required to pay interest on the public debt.

Operating Balance Now in Surplus

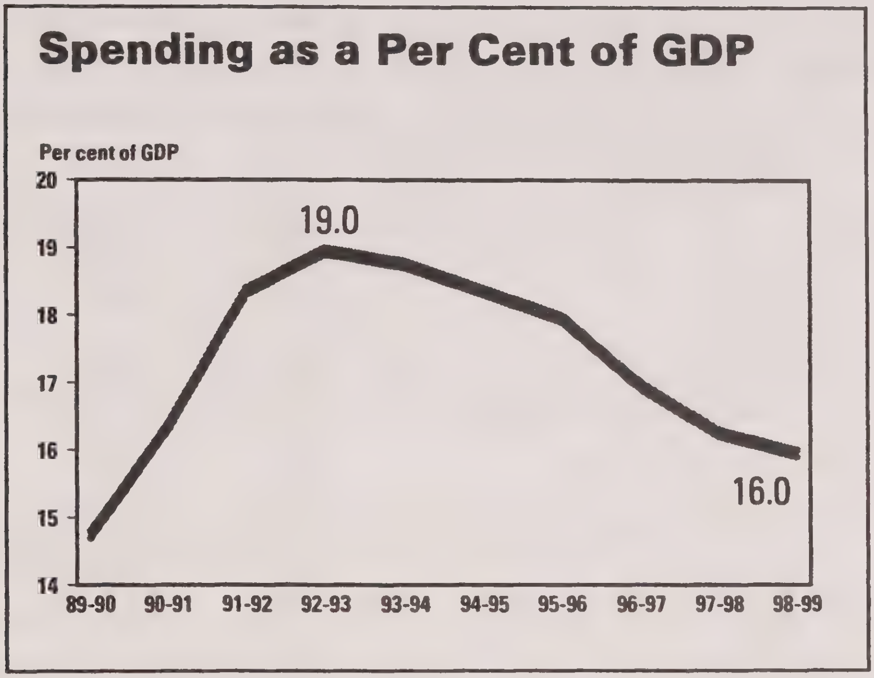


* Potential operating deficit of $2.0 billion when the government assumed office in June, 1995

- The Government faced a potential operating deficit of $2.0 billion when it assumed office in June 1995.
- Ontario's operating surplus has grown from $1.7 billion in 1996-97 to $4.8 billion in 1997-98. The operating surplus for 1998-99 is currently forecast at $5.6 billion.

Reducing Spending as a Per Cent of GDP

Total spending as a per cent of Provincial GDP rose sharply in the early 1990s. By controlling spending and cutting taxes to promote economic growth, the Government has made significant progress toward restoring Ontario's finances and business climate.



- With rapidly increasing spending and a weak economy, Provincial spending as a share of the economy peaked at 19.0 per cent in 1992-93.
- Spending as a per cent of GDP has been reduced to 16.0 per cent in 1998-99.

1998-99 Fiscal Outlook: Second Quarter Update

1998-99 Fiscal Plan

Ontario is on track to exceed its deficit reduction target for the fourth year in a row. As of September 30, the second-quarter deficit outlook at $3,563 million, is $661 million lower than the Budget forecast of $4,224 million.

1998-99 Fiscal Performance ($ Millions)

	Budget Plan	Current Outlook*	In-Year Change
Revenue	53,390	54,214	824
Expense			
Programs	45,219	45,711	492
Restructuring and Other Charges	194	561	367
Total Program Expense	45,413	46,272	859
Capital	2,337	2,344	7
Public Debt Interest	9,214	9,161	(53)
Total Expense	56,964	57,777	813
Reserve	650	-	(650)
Deficit	4,224	3,563	(661)

* Second-quarter results as at September 30th

- The 1998 Budget Plan included a $650 million reserve to protect the fiscal plan against unforeseen risks such as adverse changes in the economic outlook. With in-year improvements in the revenue outlook for 1998-99, the reserve will not be needed, and has been applied to deficit reduction.

Investing in the Future

Over the past three years the Government has exceeded its deficit reduction targets and at the same time made necessary investments to support restructuring efforts in the health care, education and municipal sectors. These investments have been made to ensure that programs and services are put on a stable footing for the long run by improving efficiency and effectiveness.

Restructuring investments totalling $854 million were made in 1995-96, with the total increasing to $2,180 million in 1996-97. In 1997-98, restructuring investments amounted to $1,595 million.

While significant large-scale investments in support of restructuring have already been made, the process of improving services for the long run continues. As part of its prudent approach to fiscal planning, the Government has increased its funding for Restructuring and Other Charges to $561 million this year, up from $194 million in the 1998 Budget.

1998-99 Restructuring and Other Charges
($ Millions)

Changes This Quarter		
Special Circumstances Fund: Reallocated to Programs	(77)	
Increase in School Board Transition Costs	44	
Increased Provision this Quarter	400	
Net Increase This Quarter		367
Previously Announced in Budget		
Special Circumstances Fund		77
School Board Transition Costs		117
Total Provision for Restructuring and Other Charges		**561**

- Consistent with the classification of restructuring charges in the 1997-98 Public Accounts, the Special Circumstances Fund of $77 million has been reclassified to program spending. This reclassification will not affect the delivery of the Fund.
- School Board transition costs increased $44 million in-year to reflect a revised estimate of 1998-99 expense. The two-year total of $385 million includes $224 million expensed in 1997-98.
- In recognition of the extent of restructuring taking place in the Province, the provision for Restructuring and Other Charges is being increased by $400 million. Details will be reported as the Government makes further restructuring decisions over the course of the year.

In-Year Revenue Changes

The current revenue outlook of $54,214 million is $824 million more than the $53,390 million projected in the 1998 Budget and $820 million more than the projection in the First Quarter Ontario Finances. The increase is mainly due to higher Personal Income Tax (PIT) revenue. The PIT gain is partially offset by lower revenue from the Government of Canada and Other Non-tax Revenue.

1998-99 Revenue Changes Since Budget ($ Millions)

Changes This Quarter:		
Personal Income Tax		1,450
Government of Canada		
Canada Health and Social Transfer	(470)	
Ice Storm	(125)	
Other	2	
Total Government of Canada		(593)
Other Revenue		
Other Fees and Licences	4	
Sales and Rentals	(10)	
Miscellaneous	(31)	
Total Other Revenue		(37)
Total Revenue Changes This Quarter		**820**
Net Changes Reported in First Quarter Ontario Finances		**4**
Total In-Year Revenue Changes		**824**

- Personal Income Tax (PIT) revenue is $1,450 million more than the Budget projection due to an increase in the estimate of 1997 PIT assessments, based on preliminary tax return processing information, and higher projected taxable income for the 1998 tax year.

- Revenue from the Government of Canada is down by $593 million.
  - Canada Health and Social Transfer (CHST) payments are down by $470 million due to a downward revision in Statistics Canada's population estimates for Ontario for the last 10 years, which reduces Ontario's CHST entitlements, and lower cash entitlements resulting from the increased value of the PIT tax points.
  - Other Federal Revenue is $123 million lower than the Budget forecast. The 1998 Budget revenue forecast for 1998-99 included an anticipated $125 million for ice storm compensation from the federal government. However, as all ice storm compensation (and expense) was reflected in the 1997-98 Public Accounts, both revenue and expense in 1998-99 are correspondingly reduced by the amounts charged to the previous year. This is partially offset by a $2 million increase in other federal revenue for Network 2000 and the Public Libraries Network.
- Other Fees and Licences are increased by $4 million to partially offset the expense increase for the Fish and Wildlife program.
- Sales and Rentals are down $10 million due to reduced revenue from property management activities.
- Miscellaneous revenue is down $31 million from the first quarter. Revenue (and expense) for the Occupational Health and Safety program are lower by $35 million as the recovery of prior years' expenditures are now netted against expense, consistent with the treatment of such receipts in the 1997-98 Public Accounts. Partially offsetting this decrease is a $4 million increase arising out of the new responsibilities of the Ontario Energy Board.

In-Year Operating Expense Changes

The 1998-99 operating expense outlook has increased by $806 million from the 1998 Budget Plan and $833 million from first-quarter results to $55,433 million.

1998-99 Operating Expense Changes Since Budget ($ Millions)	
Changes This Quarter:	
Restructuring and Other Charges – Increase in provision	400
School Board Capital Debentures debt service – Change in accounting treatment	307
Canadian Blood Services – Start-up and insurance costs	220
Forest Fire Fighting - Additional costs	42
Ice Storm - Relief payments charged to previous year	(125)
Occupational Health and Safety - Reclassification	(35)
All Other Changes (Net)	24
Net Changes Reported in First Quarter Ontario Finances	(27)
Total In-Year Operating Expense Changes	**806**

- In recognition of the extent of restructuring taking place in the province, the provision for Restructuring and Other Charges is being increased by $400 million. The 1998-99 provision for Restructuring and Other Charges now stands at $561 million. Details will be reported as the Government makes further restructuring decisions over the course of the year.

- A change in the accounting treatment of the Province's three-year commitment to fund debt service costs for school board capital debentures reduced 1997-98 expense by $971 million in the recently released Public Accounts. This commitment will be reflected in Provincial expense over the next three years.

- An additional $220 million was provided for start-up and insurance costs for Canadian Blood Services.

- The unusually hot and dry summer resulted in increased forest fire-fighting expense of $42 million.

- Operating expense related to last winter's ice storms in Eastern Ontario was reduced $125 million, reflecting that these amounts have been reported as part of 1997-98 spending in the 1997-98 Public Accounts.

- Expense (and revenue) in the Occupational Health and Safety program are reduced by $35 million as recoveries of prior years' expenditures are now netted against expense. This is consistent with the treatment in the Public Accounts.

In-Year Capital Expense Changes

The current capital expense outlook has increased by $7 million from the 1998 Budget Plan, and is down $20 million from first-quarter results to $2,344 million.

1998-99 Capital Expense Changes Since Budget ($ Millions)	
Changes This Quarter:	
Ice Storm relief payments – charges to previous year	(20)
Canada-Ontario Infrastructure Works	(13)
All Other Changes (Net)	13
Net Changes Reported in First Quarter Ontario Finances	27
Total In-Year Capital Expense Changes	7

- Capital spending related to last winter's ice storms in Eastern Ontario declined by $20 million as these costs were expensed in 1997-98.
- Canada-Ontario Infrastructure Works spending declined $13 million due to faster-than-expected completion of projects, which was reflected in final 1997-98 expense.

Financing and Debt Management

Financial Market Conditions in 1998-99

- Recent volatility in global capital markets has resulted in fewer opportunities for borrowers to issue debt.

- Although U.S. Treasury and Government of Canada bond yields have been at record low levels, credit spreads, including those of provincial issuers, have widened significantly since August.

- In addition, the Canadian dollar has continued to underperform relative to the U.S. dollar and other currencies. During the second fiscal quarter (July-September period), the Canadian dollar fell from 68.4 cents U.S. to 65.3 cents U.S.

Financing Program

- While other borrowers have had difficulty accessing capital during the recent period of market volatility, the Province continues to have preferred access to capital markets.

- Positive investor response to new debt issues has allowed the Province to borrow $6.8 billion (as of October 30, 1998) out of its $9.2 billion long-term program.

Financial Summary
($ Billions)

	1998-99 Budget Plan	1998-99 Outlook
Borrowing Requirements:		
Deficit	4.2	3.6
Cash Timing Adjustments	3.8	3.6
Cash Requirements	8.0	7.2
Maturities	5.8	6.0
Borrowing on Behalf of Agencies	0.3	0.1
Total Financing Requirements	**14.1**	**13.4**
Financed by:		
(Increase)/Decrease in Liquid Reserves	3.0	3.0
Other Sources	(0.1)	(0.1)
Increase/(Decrease) in Short-term Borrowing	2.0	1.2
Long-term Borrowing Planned	8.4	2.4
Long-term Borrowing Completed	0.8	6.8*
Total Financing Requirements	14.1	13.4

Note: numbers may not add due to rounding.
*Borrowing completed as of October 30, 1998.

- As of September 30, total financing requirements have declined from $14.1 billion to $13.4 billion, down $769 million from the 1998 Budget Plan forecast. Lower financing requirements are largely due to the reduction in the deficit.

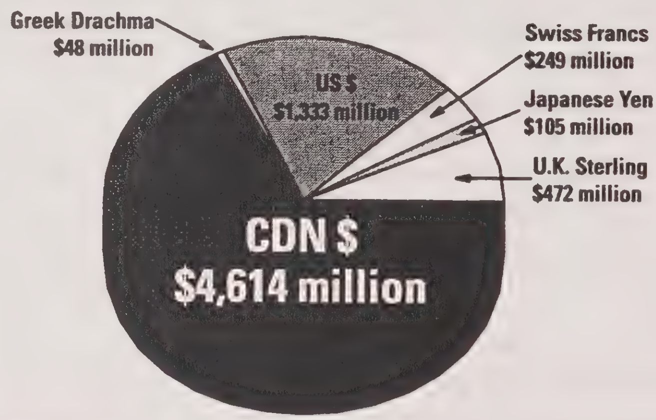
- Long-term borrowing requirements remain at $9.2 billion, unchanged from the Budget Plan.

- As of September 30, the Province raised $6.7 billion or 73 per cent of long-term borrowing requirements, with $2.5 billion remaining to be borrowed.

- In the second quarter, the Province borrowed $2.7 billion. Of this amount, $1.3 billion was raised in Canadian dollars, $1.3 billion in U.S. dollars and $105 million in Japanese yen.

  - In September 1998, the Province issued its first U.S. Dollar Global bond since 1996. Strong demand for this issue, particularly in the U.S. domestic market, made it the fastest-selling U.S. Dollar Global bond issued by Ontario.

1998-99 Total Public Borrowing
$6.8 Billion Completed



As of October 30, 1998.

Debt Management Program

- The Ontario Financing Authority adheres to prudent risk management practices, using financial instruments such as options and swaps to hedge the Province's foreign exchange and interest rate risks.

Foreign Exchange Risk

- The recent depreciation of the Canadian dollar will not significantly affect Ontario's Public Debt Interest (PDI) cost.

- The Province is limited to having a maximum foreign exchange exposure of 5 per cent of total debt outstanding. As of September 30, the Province's foreign exchange exposure was only 1.1 per cent of total debt.

Interest Rate Risk

- Ontario has limited interest rate exposure. As of September 30, the Province's floating interest rate debt (net of liquid reserves) was 6.4 per cent of total outstanding debt. For the first half of the fiscal year 1998-99, the exposure averaged approximately 5.1 per cent. The Province is limited to having a maximum floating interest rate exposure of 20 per cent of total debt outstanding.

- The Province has taken advantage of historically low interest rates to secure lower PDI costs for current and future fiscal years. Since the majority of Ontario's debt is held in fixed-rate debt instruments, interest rate changes will have only a small impact on this year's PDI expense.

- A one per cent increase in interest rates for the remainder of the fiscal year would result in an increase of approximately $20 million in PDI cost. Conversely, a one per cent drop in interest rates would result in a decrease of approximately $20 million in PDI cost.

Introduction of the *Euro* – January 1, 1999

- The *Euro* will be launched on January 1, 1999. European Union member countries initially adopting the *Euro* are Austria, Belgium, Finland, France, Germany, Ireland, Italy, Luxembourg, the Netherlands, Portugal and Spain.

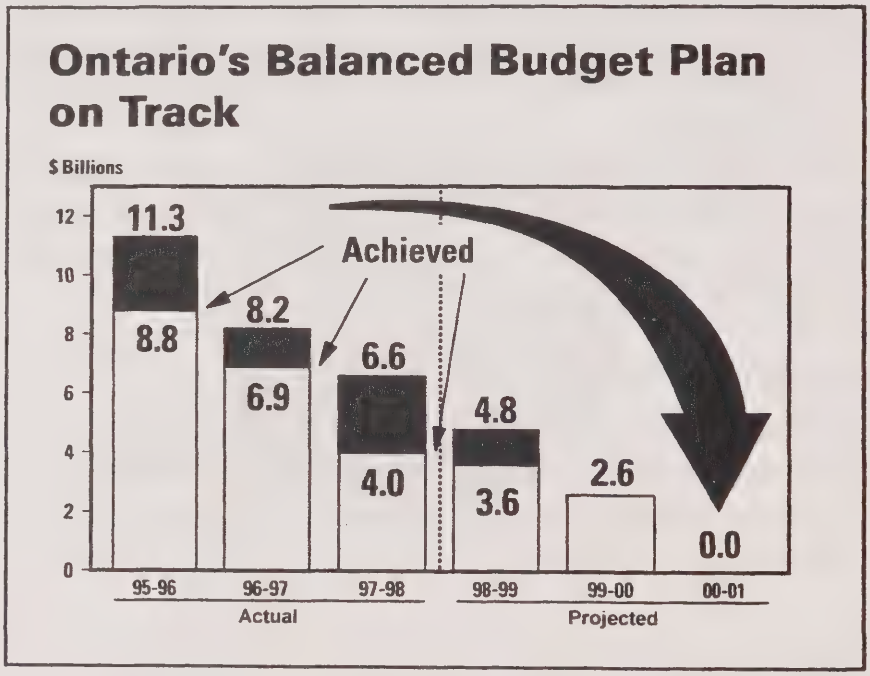
- Currently, Ontario has $4.1 billion in debt issues payable in European currencies (Dutch Guilders, French Francs and Deutsche Marks) which will be replaced by the *Euro*. Ontario will continue to pay interest and principal as required by the respective terms and conditions of each of these issues. These currencies will continue as denominations of the *Euro* until January 1, 2002.

- With respect to the redenomination of outstanding Eurobond issues, Ontario intends to follow evolving market practice among foreign Eurobond issuers. Borrowing by the Province in *Euros* may be considered when it is timely and cost-effective.

Conclusion

Great progress has been made toward restoring confidence in Ontario's finances. The current fiscal year will be the fourth year in a row that the deficit will be lower than the target laid out in the Balanced Budget Plan. The 1998-99 deficit is forecast at $3.6 billion.

In 2000-01 the Ontario budget will be balanced. Ontario will be well positioned to enter the new millennium on a sound fiscal footing.



D. Appendix

- Financial Tables and Graphs

Statement of Financial Transactions **Table D1**
($ Millions)

	Actual 1994-95	Actual 1995-96	Actual 1996-97	Actual 1997-98	Outlook* 1998-99
Revenue	46,039	49,473	49,450	52,488	54,214
Expense					
Programs	44,505	45,309	42,831	43,607	45,711
Restructuring and Other Charges		854	2,180	1,595	561
Total Program Expense	44,505	46,163	45,011	45,202	46,272
Capital	3,831	3,635	2,737	2,523	2,344
Public Debt Interest	7,832	8,475	8,607	8,729	9,161
Total Expense	56,168	58,273	56,355	56,454	57,777
Reserve	-	-	-	-	-
Deficit	**10,129**	**8,800**	**6,905**	**3,966**	**3,563**

* Second quarter results as at September 30th

Ontario Opportunities Fund **Table D2**
($ Millions)

		1997-98
Provincial Purpose Debt at April 1, 1997		101,511
Add: Borrowing requirements to finance projected deficit of $6,580 million and investments in agencies	6,857	
Decrease in liquid reserves	(267)	
Increase in debt:		6,590
Debt before Ontario Opportunities Fund		108,101
Less:		
Ontario Opportunities Fund		
Overachievement in 1997-98 deficit target (including contributions from Ontarians*)	2,614	
Sale of government assets	13	
Fund Balance Applied to Debt Reduction		(2,627)
Provincial Purpose Debt at March 31, 1998		105,474

* Contributions from Ontarians amounted to $14,825 in 1997-98

Revenue
($ Millions)

Table D3

	Actual 1994-95	Actual 1995-96	Actual 1996-97	Actual 1997-98	Outlook 1998-99
Taxation Revenue					
Personal Income Tax	14,758	15,633	16,357	16,293	16,085
Retail Sales Tax	9,090	9,424	9,964	10,843	11,435
Corporations Tax	4,557	5,174	5,852	7,456	7,600
Employer Health Tax	2,640	2,695	2,772	2,851	2,780
Gasoline Tax	1,939	1,944	1,951	2,028	2,045
Fuel Tax	495	500	540	563	600
Tobacco Tax	322	337	356	425	470
Land Transfer Tax	372	342	452	565	580
Mining Profits Tax	86	71	54	40	50
Race Tracks Tax	84	92	46	4	6
Preferred Share Dividends Tax	56	65	73	60	55
Other Taxation	60	39	49	73	190
	34,459	**36,316**	**38,466**	**41,201**	**41,896**
Government of Canada					
Canada Health and Social Transfer	-	-	4,814	3,970	3,480
Established Programs Financing	4,059	3,820	-	-	-
Canada Assistance Plan	2,577	2,508	-	-	-
Fiscal Stabilization	184	367	-	-	-
National Training Act	75	55	37	-	-
Bilingualism Development	65	62	44	49	40
Young Offenders	82	61	59	59	59
Vocational Rehabilitation	61	63	65	53	46
Canada-Ontario Infrastructure Works	159	350	142	116	92
Social Housing	-	384	341	387	353
Other	345	210	276	464	265
	7,607	**7,880**	**5,778**	**5,098**	**4,335**
Income from Government Enterprises					
Ontario Lottery Corporation	631	651	654	714	840
Liquor Control Board of Ontario	637	667	701	745	760
Ontario Casino Corporation	316	422	594	771	915
Ontario Housing Corporation	(273)	-	-	-	-
GO Transit	(166)	-	-	-	-
Other	(77)	(10)	10	61	(77)
	1,068	**1,730**	**1,959**	**2,291**	**2,438**
Other Revenue					
Vehicle/Driver Registration Fees	751	736	816	820	915
Other Fees and Licences	686	631	624	616	574
Liquor Licence Board of Ontario Revenues	532	530	520	506	510
Royalties	223	263	264	286	265
Sales and Rentals	98	497	543	582	470
Fines and Penalties	163	143	157	174	40
Local Services Realignment-Reimbursement of Expenditure	-	-	-	519	2,261
Miscellaneous	452	747	323	395	510
	2,905	**3,547**	**3,247**	**3,898**	**5,545**
Total Revenue	**46,039**	**49,473**	**49,450**	**52,488**	**54,214**

Operating Expense **Table D4**
($ Millions)

Ministry	Actual 1994-95	Actual 1995-96	Actual 1996-97	Actual 1997-98	Outlook 1998-99
Agriculture, Food and Rural Affairs	258	263	324	306	343
Farm Tax Rebate	151	157	150	158	-
Attorney General	830	1,085	638	680	735
Board of Internal Economy	135	206	124	113	121
Citizenship, Culture and Recreation	408	363	302	280	316
Community and Social Services	9,364	8,816	7,965	7,989	7,834
Consumer and Commercial Relations	150	140	123	92	136
Economic Development, Trade and Tourism	463	385	245	194	203
Education and Training	8,357	8,390	7,825	7,700	10,510
Teachers' Pension Plan (TPP)	643	812	933	1,443	61
School Board Transition	-	-	-	224	161
Energy, Science and Technology	14	13	11	69	142
Environment	258	226	146	142	156
Executive Offices	10	13	13	14	19
Finance - Own Account	425	701	435	690	702
Public Debt Interest	7,832	8,475	8,607	8,729	9,161
Community Reinvestment Fund	-	-	-	169	677
Restructuring and Other Charges-Unallocated	-	-	-	-	400
Health	17,599	17,607	17,760	18,321	18,950
Health Care Restructuring	-	-	970	532	-
Intergovernmental Affairs	6	5	4	5	4
Labour	135	135	103	87	76
Management Board Secretariat	823	554	712	352	363
Public Service/OPSEU Pension Plan	682	685	94	(86)	(100)
Contingency Fund	-	-	-	-	680
OPS Employee Severance (Net)	-	400	438	(159)	-
Retroactive Pay Equity Payments	-	-	-	140	-
Special Circumstances Fund	-	-	-	-	77
Municipal Affairs and Housing	1,487	2,421	2,456	2,395	1,607
Municipal Capital and Operating Restructuring Fund	-	-	150	23	-
Municipal Restructuring Fund	-	-	-	71	-
Native Affairs Secretariat	16	16	17	10	10
Natural Resources	478	519	417	405	456
Northern Development and Mines	54	66	52	62	100
Office of Francophone Affairs	3	2	2	2	3
Office Responsible for Women's Issues	22	18	14	18	21
Solicitor General and Correctional Services	1,136	1,111	1,159	1,173	1,209
Transportation	598	1,054	879	709	500
Restructuring/ Municipal Capital and Operating Restructuring Fund	-	-	550	50	-
TTC Five Year Capital Transfer	-	-	-	829	-
Year-End Savings	-	-	-	-	(200)
Total Operating Expense	**52,337**	**54,638**	**53,618**	**53,931**	**55,433**

Capital Expense
($ Millions)

Table D5

Ministry	Actual 1994-95	Actual 1995-96	Actual 1996-97	Actual 1997-98	Outlook 1998-99
Agriculture, Food and Rural Affairs	12	5	-	1	3
Attorney General	4	-	20	47	92
Citizenship, Culture and Recreation	42	29	9	7	5
Community and Social Services	72	14	116	51	23
Economic Development, Trade and Tourism	117	113	11	3	-
Education and Training	421	559	199	380	379
Energy, Science and Technology	-	-	-	-	45
Environment	271	238	225	98	51
Municipal Capital and Operating Restructuring Fund	-	-	-	-	29
Finance	3	1	18	7	1
Health	249	168	175	106	471
Management Board Secretariat	260	272	152	80	10
Municipal Affairs and Housing	310	628	313	152	58
Native Affairs Secretariat	17	9	13	11	12
Natural Resources	54	47	33	209	29
Northern Development and Mines	240	163	168	173	179
Solicitor General and Correctional Services	2	2	6	12	73
Transportation	1,757	1,387	1,279	1,186	884
Total Capital Expense	**3,831**	**3,635**	**2,737**	**2,523**	**2,344**

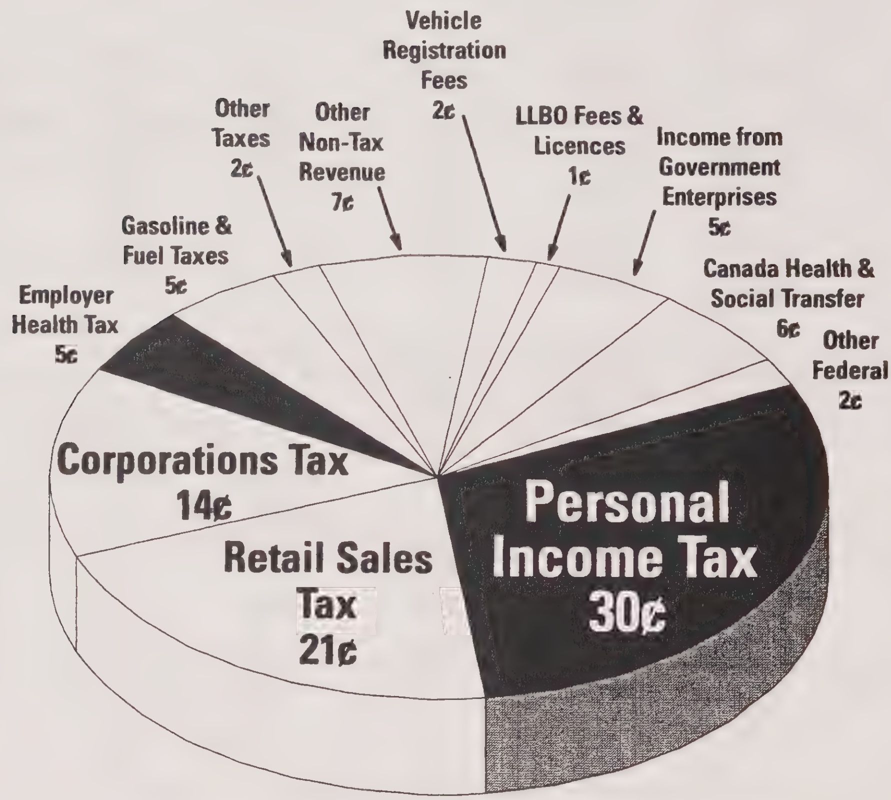
Ten-Year Review of Selected Financial and Economic Statistics ($ Millions)

	Modified Cash Basis		
	1989-90	1990-91	1991-92
Financial Transactions			
Revenue	41,225	42,892	40,753
Expense			
Programs	33,926	38,924	43,613
Restructuring and Other Charges	-	-	-
Total Program Expense	33,926	38,924	43,613
Capital	3,392	3,221	3,874
Public Debt Interest	3,817	3,776	4,196
Total Expense	41,135	45,921	51,683
Reserve	-	-	-
Deficit/(Surplus)	**(90)**	**3,029**	**10,930**
Provincial Purpose Debt	**39,256**	**42,257**	**53,083**
Gross Domestic Product (GDP) at Market Prices	277,819	280,604	280,853
Personal Income	225,520	236,865	243,485
Population - July (000s)	10,110	10,300	10,428
Total Debt per Capita (dollars)	3,883	4,103	5,090
Personal Income per Capita (dollars)	22,307	22,997	23,349
Total Expense as a per cent of GDP	14.8	16.4	18.4
Public Debt Interest as a per cent of Revenue	9.3	8.8	10.3
Total Debt as a per cent of GDP	14.1	15.1	18.9
Cumulative Net Borrowing for Ontario Hydro			
U.S.	5,150	5,049	4,185
C.P.P.	2,748	2,748	2,748
Contingent Liability (mainly Ontario Hydro)	21,490	26,009	30,369

Table D6

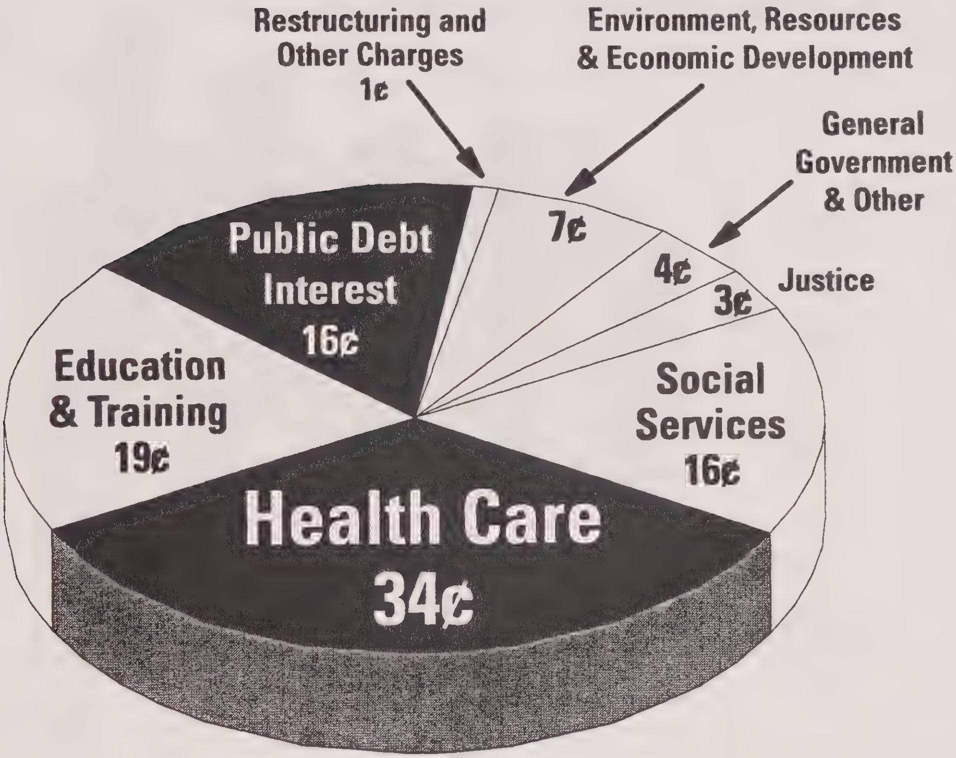
	PSAAB Basis					
					Actual	Outlook
1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
41,807	43,674	46,039	49,473	49,450	52,488	54,214
45,350	44,195	44,505	45,309	42,831	43,607	45,711
-	-	-	854	2,180	1,595	561
45,350	44,195	44,505	46,163	45,011	45,202	46,272
3,592	3,552	3,831	3,635	2,737	2,523	2,344
5,293	7,129	7,832	8,475	8,607	8,729	9,161
54,235	54,876	56,168	58,273	56,355	56,454	57,777
-	-	-	-	-	-	-
12,428	**11,202**	**10,129**	**8,800**	**6,905**	**3,966**	**3,563**
68,607	**79,439**	**88,580**	**101,396**	**101,511**	**105,474**	**109,764**
285,313	291,716	305,023	322,874	331,024	346,871	360,414
252,288	254,735	258,117	268,331	273,742	280,772	291,809
10,570	10,690	10,828	10,965	11,101	11,254	11,405
6,491	7,431	8,181	9,247	9,144	9,372	9,624
23,868	23,829	23,838	24,472	24,659	24,949	25,586
19.0	18.8	18.4	18.0	17.0	16.3	16.0
12.7	16.3	17.0	17.1	17.4	16.6	16.9
24.0	27.2	29.0	31.4	30.7	30.4	30.5
3,969	1,789	1,087	1,060	392	137	N/A
2,748	2,748	2,748	2,748	2,748	2,748	N/A
34,657	34,008	33,782	31,590	31,786	30,675	N/A

The Budget Dollar: Revenue 1998-1999*



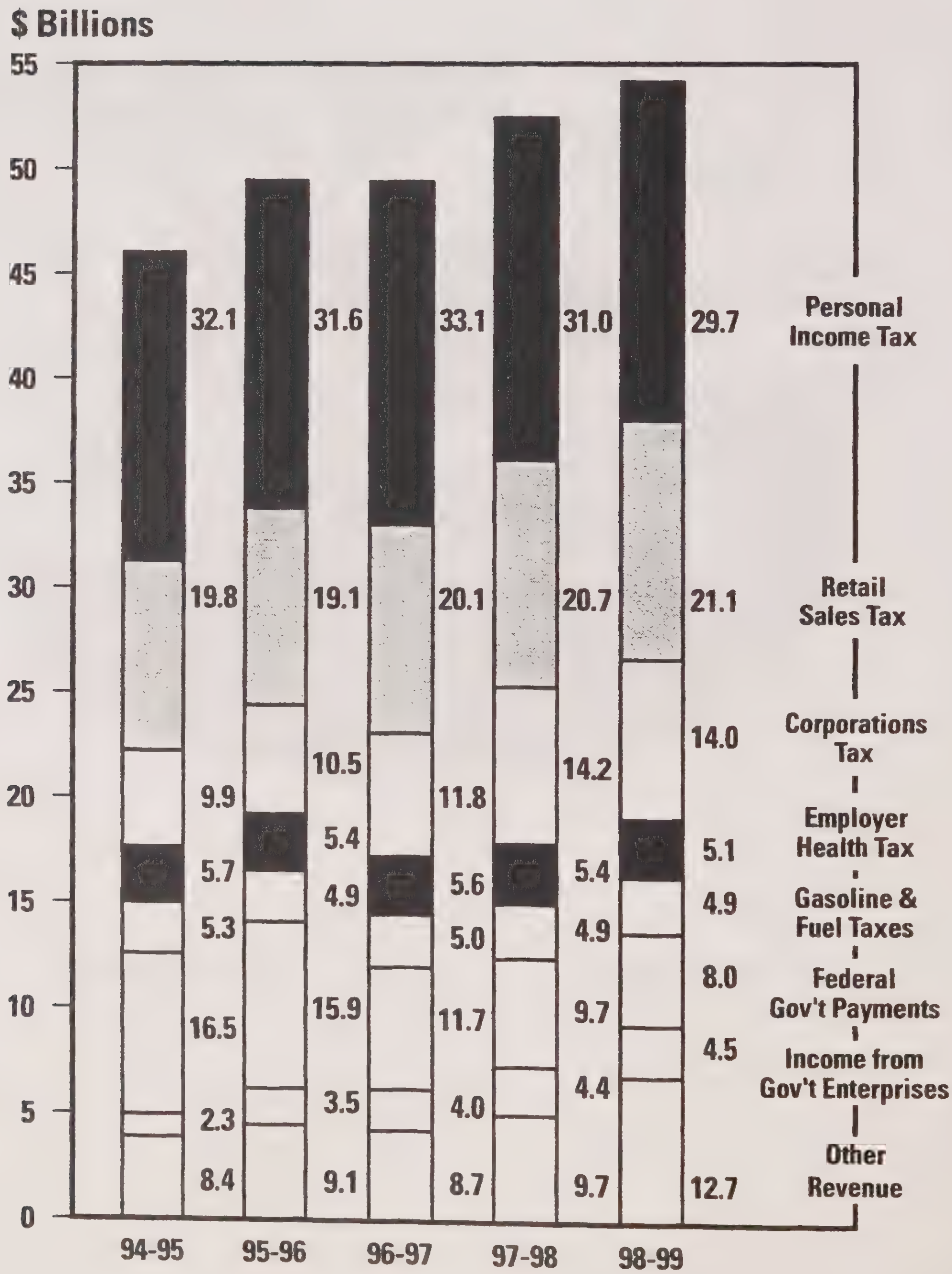
* As at September 30th

The Budget Dollar: Total Expense 1998-1999*

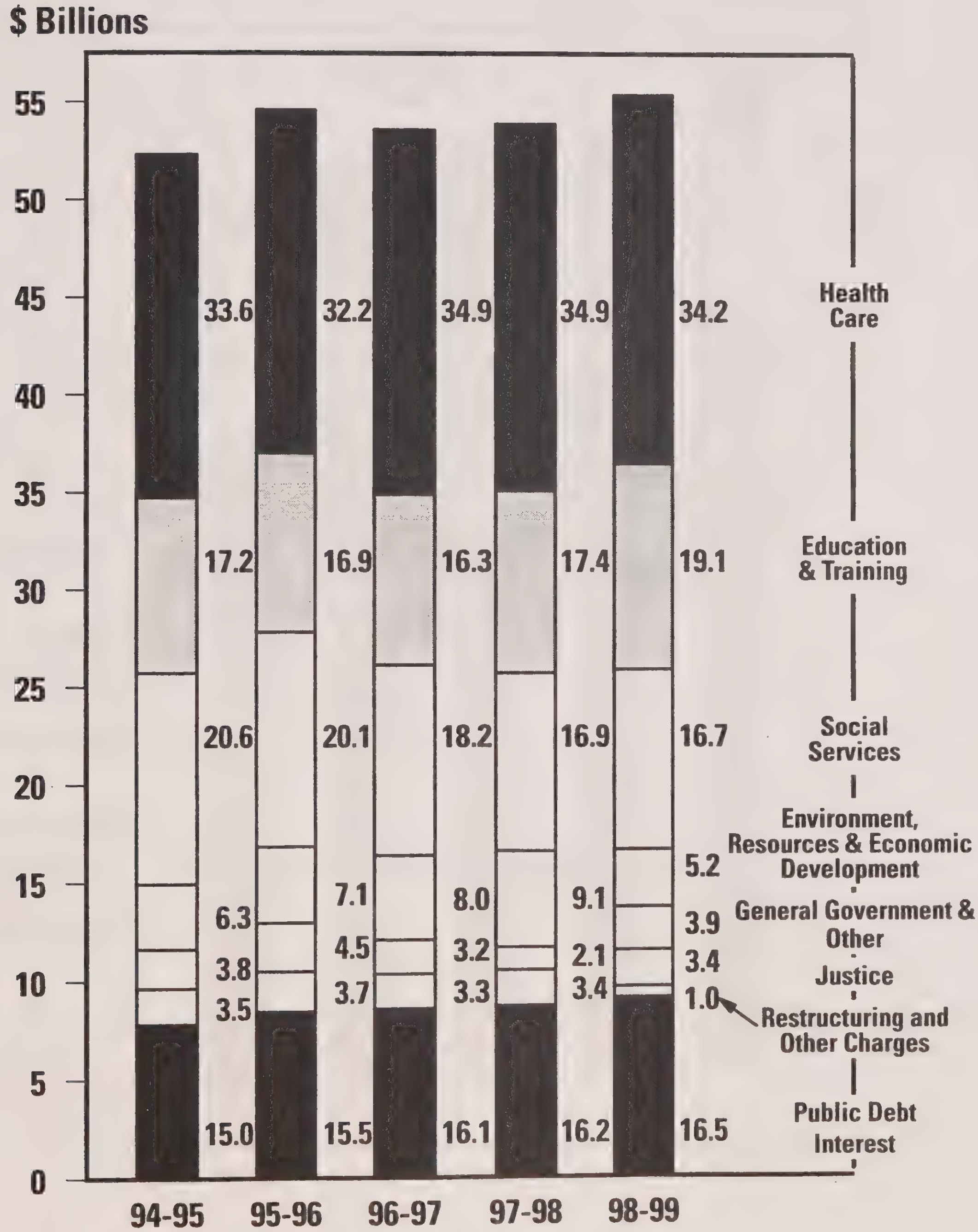


* As at September 30th

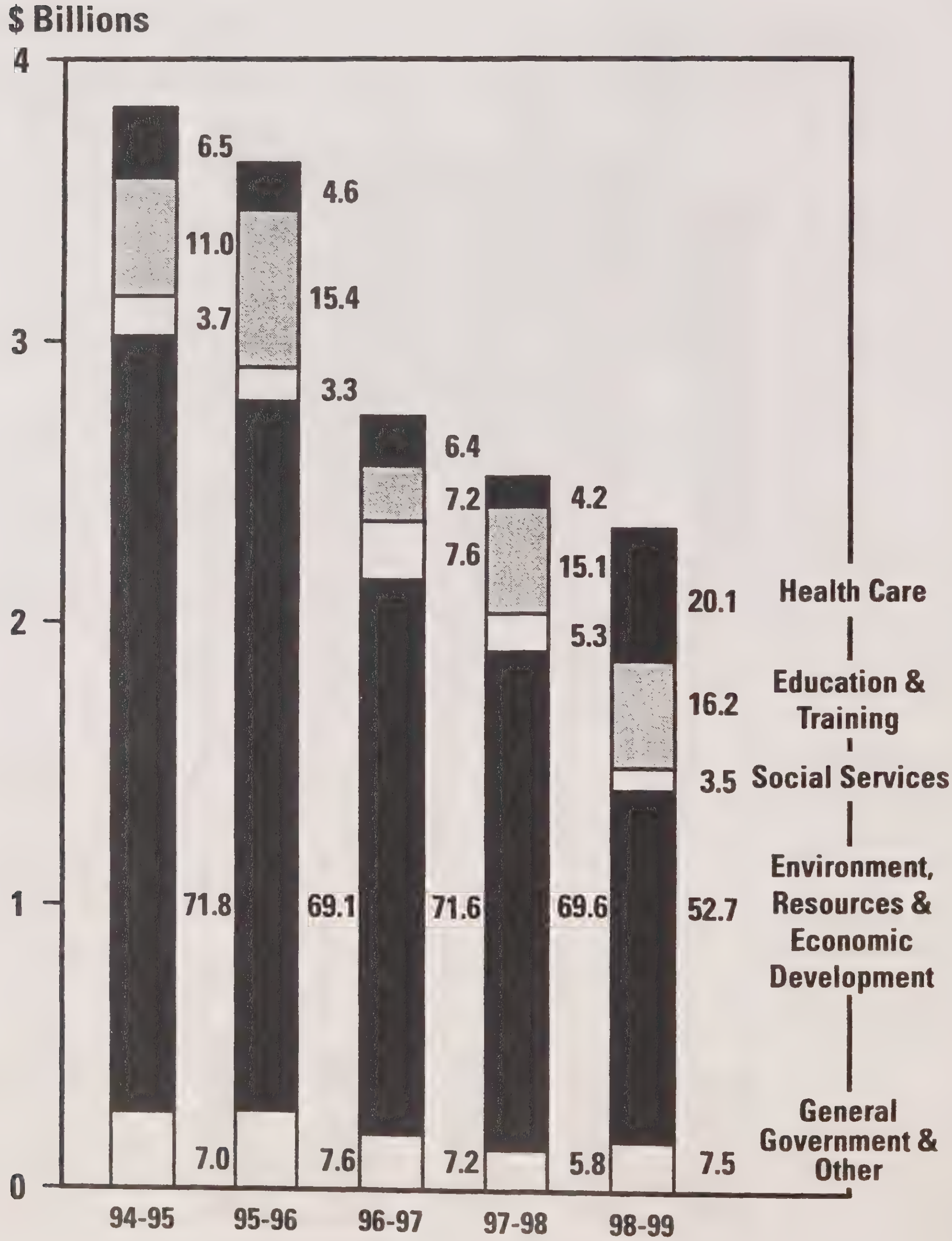
Revenue Sources by Category: Per Cent of Total 1994-95 to 1998-99



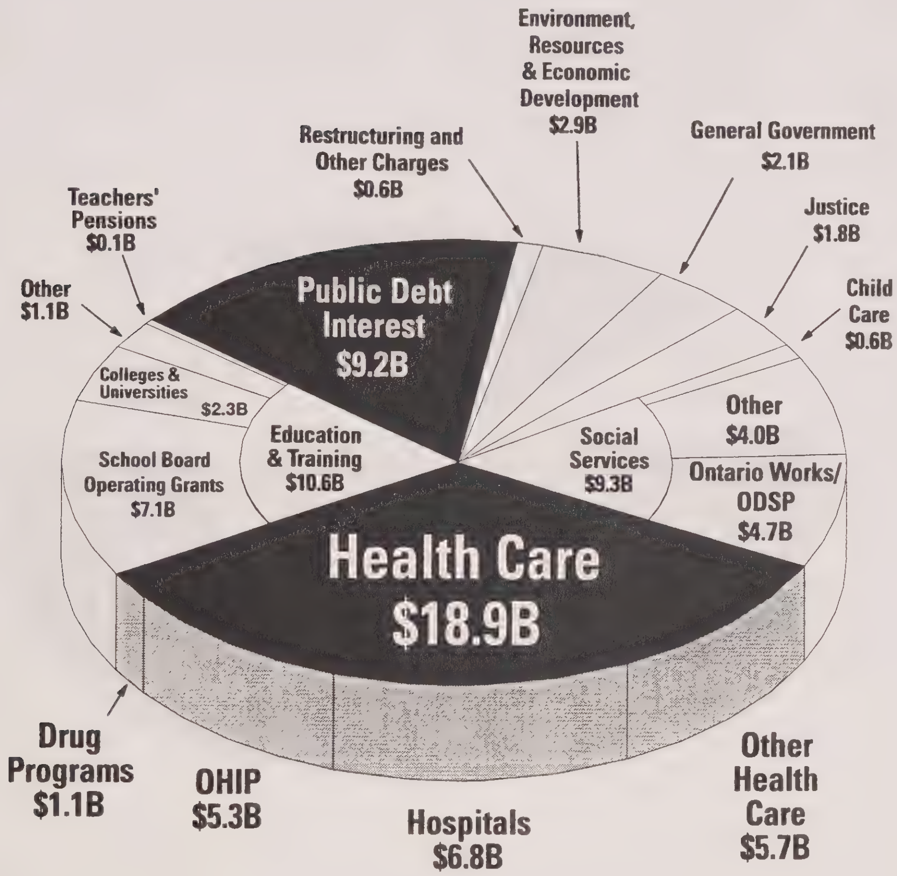
Operating Expense by Category: Per Cent of Total 1994-95 to 1998-99



Capital Expense by Category: Per Cent of Total 1994-95 to 1998-99

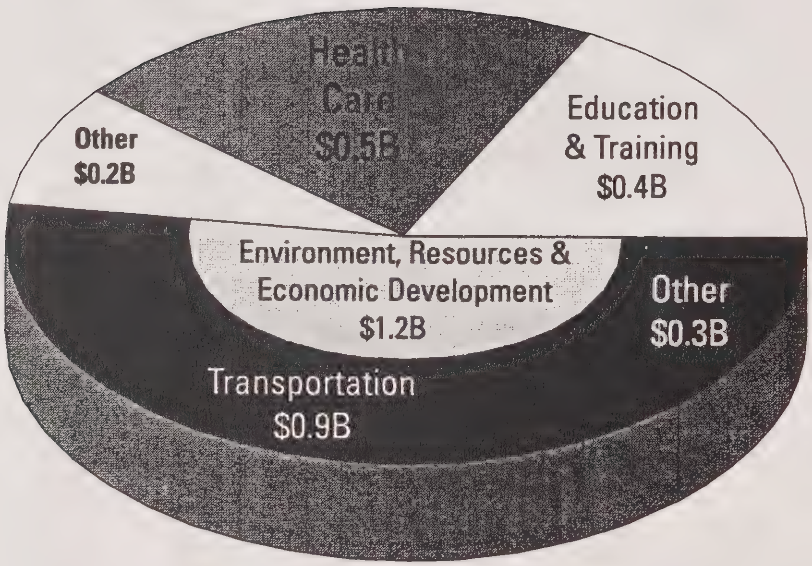


1998-99 Operating Expense by Sector*
($ Billions)



* As at September 30th

1998-99 Capital Expense by Sector*
($ Billions)



* As at September 30th

Economic Data Tables

LIST OF TABLES

LIST OF TABLES (Cont'd)

Demographic Characteristics — Table Numbers

Ontario Labour Markets

Economic Regions by Census Division

Ontario Labour Force Survey Regions

(Note: Data in the tables may not add to totals due to rounding.)

Table 1 **Outlook for the Ontario Economy**

	(Annual average per cent change)			
	Actual			Private-Sector Range
	1996	1997	1998e	1999p
Gross Domestic Product				
Real	1.1	4.4	3.7	2.2 - 3.0
Nominal	2.5	4.8	3.9	3.7 - 4.9
Other Economic Indicators				
Retail Sales	0.7	7.8	8.1	4.6 - 5.9
Housing Starts - Units (000s)	43.1	54.1	57.4	53.0 - 66.8
Personal Income	2.0	2.6	3.9	4.0 - 4.4
Pre-Tax Corporate Profits	-5.8	16.8	0.5	4.3 - 8.7
Consumer Price Index (1992=100)	1.5	1.9	0.9	1.3 - 2.7
Labour Market				
Employment	1.5	1.9	3.5	1.3 - 2.4
Unemployment Rate (%)	9.1	8.5	7.2	6.5 - 7.4

e = Ontario Ministry of Finance estimate. p = private-sector projection.

Sources: Statistics Canada, Ontario Ministry of Finance and Survey of Private-Sector Forecasts.

Table 2 **Ontario Economy, Annual Change, 1993-1998**

	(per cent change)					
	Actual					
	1993	1994	1995	1996	1997	1998e
Real Gross Domestic Product	**1.1**	**4.7**	**3.3**	**1.1**	**4.4**	**3.7**
Consumption	1.6	3.0	2.0	2.1	4.5	4.8
Government	-0.2	-0.3	0.7	-2.7	-1.1	3.5
Residential Construction	-9.4	2.3	-13.2	12.3	19.1	7.9
Non-Residential Construction	-18.4	-14.3	-2.5	21.4	7.4	0.7
Machinery and Equipment	-8.3	17.2	8.7	6.3	18.7	5.1
Exports	8.9	9.2	6.8	4.6	10.3	7.3
Imports	7.9	7.1	4.8	4.5	14.1	9.0
Nominal Gross Domestic Product	**2.2**	**4.6**	**5.9**	**2.5**	**4.8**	**3.9**
Other Economic Indicators						
Retail Sales	4.1	7.2	3.6	0.7	7.8	8.1
Housing Starts	-19.1	3.3	-23.2	20.2	25.6	6.2
Personal Income	1.0	1.3	4.0	2.0	2.6	3.9
Pre-Tax Corporate Profits	23.1	45.3	21.8	-5.8	16.8	0.5
Consumer Price Index	1.8	0.0	2.5	1.5	1.9	0.9
Employment	1.8	1.4	1.4	1.5	1.9	3.5

e = estimated.

Sources: Statistics Canada and Ontario Ministry of Finance.

Table 3 Ontario, Gross Domestic Product, 1984-1997

	(billions of dollars)						
	1984	1985	1986	1987	1988	1989	1990
Real Gross Domestic Product ($1992)	**238.2**	**250.1**	**261.1**	**271.6**	**287.9**	**296.5**	**291.6**
Consumption	126.7	134.1	141.2	148.5	156.6	162.0	162.6
Government	52.2	55.0	55.2	57.8	61.0	64.1	68.1
Residential Construction	15.2	16.9	19.3	21.8	22.4	24.1	19.0
Non-Residential Construction	7.9	8.8	10.1	11.2	12.2	12.9	11.8
Machinery and Equipment	8.3	10.0	12.4	14.1	16.3	16.7	15.8
Exports	114.0	119.8	124.2	126.8	138.6	143.8	142.5
Imports	87.0	95.2	101.7	108.6	121.3	128.0	125.2
Nominal Gross Domestic Product	**172.0**	**188.4**	**207.6**	**229.1**	**255.2**	**277.8**	**280.6**

Table 3 (continued)

	(billions of dollars)						
	1991	1992	1993	1994	1995	1996	1997
Real Gross Domestic Product ($1992)	**282.2**	**285.3**	**288.6**	**302.2**	**312.2**	**315.6**	**329.5**
Consumption	160.1	162.8	165.4	170.4	173.7	177.5	185.4
Government	71.3	69.3	69.2	69.0	69.5	67.6	66.8
Residential Construction	15.6	15.9	14.4	14.7	12.8	14.4	17.1
Non-Residential Construction	11.3	9.7	7.9	6.8	6.6	8.0	8.6
Machinery and Equipment	15.4	16.2	14.8	17.4	18.9	20.1	23.9
Exports	137.3	145.9	159.0	173.6	185.4	194.0	214.0
Imports	123.9	130.4	140.8	150.7	158.0	165.1	188.4
Nominal Gross Domestic Product	**280.9**	**285.3**	**291.7**	**305.0**	**322.9**	**331.0**	**346.9**

Sources: Statistics Canada and Ontario Ministry of Finance.

Table 4 Ontario, Growth in Gross Domestic Product, 1984-1997

	(per cent change)						
	1984	1985	1986	1987	1988	1989	1990
Real Gross Domestic Product ($1992)	**8.3**	**5.0**	**4.4**	**4.0**	**6.0**	**3.0**	**-1.6**
Consumption	5.6	5.8	5.3	5.2	5.5	3.5	0.3
Government	2.8	5.3	0.5	4.6	5.6	5.0	6.2
Residential Construction	7.6	10.9	14.4	12.8	2.8	7.6	-21.4
Non-Residential Construction	17.0	11.4	13.8	11.2	8.7	5.9	-7.9
Machinery and Equipment	7.4	20.0	24.8	13.0	16.3	1.9	-5.1
Exports	14.2	5.1	3.7	2.1	9.3	3.7	-0.9
Imports	13.9	9.5	6.8	6.8	11.7	5.5	-2.2
Nominal Gross Domestic Product	**11.5**	**9.5**	**10.2**	**10.3**	**11.4**	**8.9**	**1.0**

Table 4 (continued)

	(per cent change)						
	1991	1992	1993	1994	1995	1996	1997
Real Gross Domestic Product ($1992)	**-3.2**	**1.1**	**1.1**	**4.7**	**3.3**	**1.1**	**4.4**
Consumption	-1.5	1.7	1.6	3.0	2.0	2.1	4.5
Government	4.8	-2.8	-0.2	-0.3	0.7	-2.7	-1.1
Residential Construction	-17.6	1.7	-9.4	2.3	-13.2	12.3	19.1
Non-Residential Construction	-4.9	-13.8	-18.4	-14.3	-2.5	21.4	7.4
Machinery and Equipment	-2.4	5.0	-8.3	17.2	8.7	6.3	18.7
Exports	-3.6	6.3	8.9	9.2	6.8	4.6	10.3
Imports	-1.0	5.2	7.9	7.1	4.8	4.5	14.1
Nominal Gross Domestic Product	**0.1**	**1.6**	**2.2**	**4.6**	**5.9**	**2.5**	**4.8**

Sources: Statistics Canada and Ontario Ministry of Finance.

Table 5 Ontario, Selected Economic Indicators, 1984-1997

	1984	1985	1986	1987	1988	1989	1990
Retail Sales* ($ billions)	47.6	53.7	58.6	64.7	69.8	72.6	72.6
Housing Starts - Units (000s)	48.2	64.9	81.5	105.2	99.9	93.3	62.6
Personal Income ($ billions)	142.7	155.5	168.7	184.9	205.8	225.5	236.9
Pre-Tax Corporate Profits ($ billions)	17.9	19.4	20.7	25.5	29.1	27.0	19.4
Consumer Price Index (1992 = 100)	71.3	74.2	77.5	81.4	85.3	90.2	94.6
Labour Force (000s)	4,886	5,012	5,133	5,272	5,408	5,521	5,577
Employment (000s)	4,444	4,608	4,772	4,951	5,136	5,241	5,226
Unemployment Rate (%)	9.0	8.1	7.0	6.1	5.0	5.1	6.3

Table 5 (continued)	1991	1992	1993	1994	1995	1996	1997
Retail Sales* ($ billions)	67.3	68.9	71.7	76.9	79.6	80.2	86.5
Housing Starts - Units (000s)	52.8	55.8	45.1	46.6	35.8	43.1	54.1
Personal Income ($ billions)	243.5	252.3	254.7	258.1	268.3	273.7	280.8
Pre-Tax Corporate Profits ($ billions)	14.7	14.5	17.8	25.9	31.6	29.7	34.7
Consumer Price Index (1992 = 100)	99.0	100.0	101.8	101.8	104.3	105.9	107.9
Labour Force (000s)	5,582	5,610	5,692	5,707	5,732	5,839	5,915
Employment (000s)	5,044	5,001	5,089	5,160	5,231	5,311	5,413
Unemployment Rate (%)	9.6	10.9	10.6	9.6	8.7	9.1	8.5

* Retail sales include Federal Sales Taxes up to 1990 but exclude GST after 1990.

Sources: Statistics Canada, Ontario Ministry of Finance and CMHC.

Table 6 Ontario, Economic Indicators, Annual Change, 1984-1997

(per cent change)

	1984	1985	1986	1987	1988	1989	1990
Retail Sales*	10.3	13.0	9.0	10.5	7.8	4.0	0.0
Housing Starts	-12.3	34.7	25.6	29.1	-5.0	-6.6	-32.9
Personal Income	10.1	9.0	8.5	9.6	11.3	9.6	5.0
Pre-Tax Corporate Profits	28.0	8.9	6.6	23.0	14.2	-7.4	-28.1
Consumer Price Index	4.9	4.1	4.4	5.0	4.8	5.7	4.9
Labour Force	2.3	2.6	2.4	2.7	2.6	2.1	1.0
Employment	3.9	3.7	3.6	3.8	3.7	2.0	-0.3
Unemployment Rate	...	...	...	...	...	...	...

Table 6 (continued)

(per cent change)

	1991	1992	1993	1994	1995	1996	1997
Retail Sales*	-7.2	2.3	4.1	7.2	3.6	0.7	7.8
Housing Starts	-15.7	5.6	-19.1	3.3	-23.2	20.2	25.6
Personal Income	2.8	3.6	1.0	1.3	4.0	2.0	2.6
Pre-Tax Corporate Profits	-24.3	-1.2	23.1	45.3	21.8	-5.8	16.8
Consumer Price Index	4.7	1.0	1.8	0.0	2.5	1.5	1.9
Labour Force	0.1	0.5	1.5	0.3	0.4	1.9	1.3
Employment	-3.5	-0.8	1.8	1.4	1.4	1.5	1.9
Unemployment Rate	...	...	...	...	...	...	...

* Retail sales include Federal Sales Taxes up to 1990 but exclude GST after 1990.

... Figures not appropriate or not applicable.

Sources: Statistics Canada, Ontario Ministry of Finance and CMHC.

Table 7 **Ontario, Real Gross Domestic Product by Industry[1], 1991-1997**

	(millions of dollars)			
	1991	1992	1993	1994
Goods Producing Industries	**79,249**	**78,426**	**79,924**	**84,211**
Primary Industries	6,137	5,826	5,832	5,843
Agriculture	2,809	2,647	2,739	2,966
Manufacturing[2]	49,664	50,794	53,693	57,398
Construction	14,529	13,322	11,418	11,623
Utilities	8,919	8,484	8,981	9,347
Services Producing Industries	**165,097**	**166,615**	**168,908**	**174,000**
Transportation, Storage and Communication	15,472	16,063	15,820	16,372
Transportation & Storage	7,845	8,148	8,072	8,297
Communication	7,627	7,915	7,748	8,075
Trade	25,958	26,644	26,976	29,179
Wholesale	12,586	13,285	13,518	14,947
Retail	13,373	13,359	13,457	14,232
Finance, Insurance and Real Estate	42,288	42,940	44,149	45,247
Community, Business and Personal Services	64,655	63,971	65,223	66,262
Education	16,471	16,478	16,782	16,711
Health & Social Services	18,174	18,289	18,367	18,371
Business Services	13,618	12,866	13,478	14,130
Accommodation, Food & Beverage Services	5,938	5,862	5,924	6,302
Amusement & Recreation	2,425	2,461	2,486	2,525
Personal & Household Services	2,239	2,126	2,168	2,180
Other Services	5,790	5,889	6,019	6,044
Government Services	16,723	16,998	16,739	16,939
Federal	7,795	8,036	7,924	8,305
Provincial	4,200	4,224	4,145	4,028
Local	4,728	4,737	4,670	4,606
Total Production ($1992) at Factor Cost	**244,346**	**245,041**	**248,832**	**258,211**
Indirect Taxes Less Subsidies plus Miscellaneous Adjustments	37,884	40,273	39,736	43,961
Gross Domestic Product ($1992) at Market Prices	**282,230**	**285,314**	**288,567**	**302,172**

Table 7 (continued) **Ontario, Real Gross Domestic Product by Industry[1], 1991-1997**

	1995	1996	1997
	(millions of dollars)		
Goods Producing Industries	**88,045**	**89,218**	**94,294**
Primary Industries	5,932	5,933	5,944
Agriculture	3,047	3,000	3,081
Manufacturing[2]	61,806	62,213	66,366
Construction	11,045	11,792	12,703
Utilities	9,263	9,281	9,282
Services Producing Industries	**177,171**	**180,412**	**187,280**
Transportation, Storage and Communication	16,829	17,581	18,708
Transportation & Storage	8,325	8,625	9,189
Communication	8,505	8,956	9,518
Trade	29,884	30,609	33,483
Wholesale	15,604	16,451	18,529
Retail	14,280	14,158	14,954
Finance, Insurance and Real Estate	45,457	46,983	48,493
Community, Business and Personal Services	68,188	69,110	70,859
Education	16,841	16,531	15,934
Health & Social Services	18,615	18,416	18,482
Business Services	15,520	16,780	18,430
Accommodation, Food & Beverage Services	6,343	6,393	6,757
Amusement & Recreation	2,572	2,646	2,805
Personal & Household Services	2,145	2,130	2,149
Other Services	6,151	6,214	6,301
Government Services	16,812	16,128	15,737
Federal	8,264	7,973	7,659
Provincial	3,945	3,655	3,573
Local	4,604	4,500	4,505
Total Production ($1992) at Factor Cost	**265,215**	**269,630**	**281,574**
Indirect Taxes Less Subsidies plus Miscellaneous Adjustments	46,948	45,985	47,880
Gross Domestic Product ($1992) at Market Prices	**312,163**	**315,615**	**329,454**

Notes: 1. Gross Domestic Product on an industry basis is at factor cost, whereas GDP on an expenditure basis is at market prices.
2. See Table 9 for detailed Manufacturing industries.

Sources: Statistics Canada and Ontario Ministry of Finance.

Table 8 Ontario, Growth in Real Gross Domestic Product by Industry[1], 1991-1997

	(per cent change)			
	1991	1992	1993	1994
Goods Producing Industries	**-6.0**	**-1.0**	**1.9**	**5.4**
Primary Industries	-4.2	-5.1	0.1	0.2
Agriculture	-0.3	-5.8	3.5	8.3
Manufacturing[2]	-8.6	2.3	5.7	6.9
Construction	-7.0	-8.3	-14.3	1.8
Utilities	11.8	-4.9	5.9	4.1
Services Producing Industries	**-0.3**	**0.9**	**1.4**	**3.0**
Transportation, Storage and Communication	-4.5	3.8	-1.5	3.5
Transportation & Storage	-12.0	3.9	-0.9	2.8
Communication	4.7	3.8	-2.1	4.2
Trade	-4.3	2.6	1.2	8.2
Wholesale	-1.1	5.6	1.8	10.6
Retail	-7.1	-0.1	0.7	5.8
Finance, Insurance and Real Estate	4.4	1.5	2.8	2.5
Community, Business and Personal Services	-1.7	-1.1	2.0	1.6
Education	3.4	0.0	1.8	-0.4
Health & Social Services	3.1	0.6	0.4	0.0
Business Services	-2.9	-5.5	4.8	4.8
Accommodation, Food & Beverage Services	-18.5	-1.3	1.1	6.4
Amusement & Recreation	-3.6	1.5	1.0	1.6
Personal & Household Services	-9.2	-5.1	2.0	0.5
Other Services	-2.3	1.7	2.2	0.4
Government Services	4.4	1.6	-1.5	1.2
Federal	5.9	3.1	-1.4	4.8
Provincial	1.4	0.6	-1.9	-2.8
Local	4.7	0.2	-1.4	-1.4
Total Production ($1992) at Factor Cost	**-2.2**	**0.3**	**1.5**	**3.8**
Gross Domestic Product ($1992) at Market Prices	**-3.2**	**1.1**	**1.1**	**4.7**

Table 8 (continued) Ontario, Growth in Real Gross Domestic Product by Industry[1], 1991-1997

	(per cent change)		
	1995	1996	1997
Goods Producing Industries	**4.6**	**1.3**	**5.7**
Primary Industries	1.5	0.0	0.2
Agriculture	2.7	-1.6	2.7
Manufacturing[2]	7.7	0.7	6.7
Construction	-5.0	6.8	7.7
Utilities	-0.9	0.2	0.0
Services Producing Industries	**1.8**	**1.8**	**3.8**
Transportation, Storage and Communication	2.8	4.5	6.4
Transportation & Storage	0.3	3.6	6.5
Communication	5.3	5.3	6.3
Trade	2.4	2.4	9.4
Wholesale	4.4	5.4	12.6
Retail	0.3	-0.9	5.6
Finance, Insurance and Real Estate	0.5	3.4	3.2
Community, Business and Personal Services	2.9	1.4	2.5
Education	0.8	-1.8	-3.6
Health & Social Services	1.3	-1.1	0.4
Business Services	9.8	8.1	9.8
Accommodation, Food & Beverage Services	0.7	0.8	5.7
Amusement & Recreation	1.9	2.9	6.0
Personal & Household Services	-1.6	-0.7	0.9
Other Services	1.8	1.0	1.4
Government Services	-0.7	-4.1	-2.4
Federal	-0.5	-3.5	-3.9
Provincial	-2.1	-7.3	-2.3
Local	0.0	-2.3	0.1
Total Production ($1992) at Factor Cost	**2.7**	**1.7**	**4.4**
Gross Domestic Product ($1992) at Market Prices	**3.3**	**1.1**	**4.4**

Notes: 1. Gross Domestic Product on an industry basis is at factor cost, whereas GDP on an expenditure basis is at market prices.
2. See Table 10 for detailed Manufacturing industries.

Sources: Statistics Canada and Ontario Ministry of Finance.

Table 9 **Ontario, Real Gross Domestic Product in Selected Manufacturing Industries[1], 1991-1997**

	(millions of dollars)						
	1991	1992	1993	1994	1995	1996	1997
Manufacturing	49,664	50,794	53,693	57,398	61,806	62,213	66,366
Food	5,852	6,246	6,288	6,496	6,850	7,007	7,186
Beverage	1,437	1,472	1,549	1,653	1,756	1,678	1,658
Rubber Products	703	824	920	1,007	1,100	1,089	1,144
Plastics Products	1,342	1,453	1,548	1,689	1,694	1,834	1,974
Leather & Allied Products	181	183	192	202	169	158	167
Primary Textile & Textile Products	948	852	867	970	1,080	1,119	1,216
Clothing	765	776	746	712	738	711	770
Wood	755	767	816	897	959	1,111	1,293
Furniture & Fixture	848	830	914	1,011	1,132	1,195	1,405
Paper & Allied Products	1,993	2,149	2,125	2,180	2,234	2,244	2,304
Printing & Publishing	3,939	3,703	3,447	3,514	3,530	3,498	3,727
Primary Metals	2,881	2,893	3,279	3,346	3,485	3,565	3,656
Fabricated Metal Products	3,773	3,537	3,764	4,299	4,664	4,622	5,042
Machinery	2,118	1,991	2,305	2,713	3,256	3,151	3,493
Transportation Equipment	9,685	10,171	11,791	12,739	13,866	14,215	15,429
Electrical & Electronic	4,347	4,552	4,524	5,076	5,900	5,374	5,819
Non-metallic Mineral Products	1,233	1,210	1,231	1,296	1,350	1,394	1,524
Refined Petroleum & Coal Products	387	400	431	431	417	445	451
Chemical & Chemical Products	4,303	4,530	4,820	4,815	5,065	5,155	5,415
Other Manufacturing	2,341	2,258	2,136	2,350	2,563	2,649	2,695

Note: 1. Gross Domestic Product on an industry basis is at factor cost, whereas GDP on an expenditure basis is at market prices.

Sources: Statistics Canada and Ontario Ministry of Finance.

Table 10 **Ontario, Growth in Real Gross Domestic Product in Selected Manufacturing Industries[1], 1991-1997**

(per cent change)

	1991	1992	1993	1994	1995	1996	1997
Manufacturing	-8.6	2.3	5.7	6.9	7.7	0.7	6.7
Food	3.8	6.7	0.7	3.3	5.4	2.3	2.6
Beverage	-2.7	2.4	5.2	6.7	6.2	-4.4	-1.2
Rubber Products	-12.3	17.3	11.7	9.4	9.2	-0.9	5.1
Plastics Products	-4.8	8.2	6.6	9.1	0.3	8.3	7.6
Leather & Allied Products	-24.4	0.8	5.1	5.3	-16.5	-6.5	6.1
Primary Textile & Textile Products	-5.1	-10.2	1.8	11.8	11.4	3.6	8.7
Clothing	-13.1	1.4	-3.9	-4.5	3.6	-3.6	8.2
Wood	-17.7	1.5	6.5	10.0	6.9	15.8	16.4
Furniture & Fixture	-19.6	-2.2	10.1	10.6	12.0	5.6	17.5
Paper & Allied Products	-16.0	7.8	-1.1	2.6	2.4	0.5	2.7
Printing & Publishing	-17.7	-6.0	-6.9	2.0	0.5	-0.9	6.6
Primary Metals	-4.3	0.4	13.3	2.1	4.1	2.3	2.6
Fabricated Metal Products	-16.8	-6.3	6.4	14.2	8.5	-0.9	9.1
Machinery	-25.9	-6.0	15.8	17.7	20.0	-3.2	10.8
Transportation Equipment	-7.0	5.0	15.9	8.0	8.8	2.5	8.5
Electrical & Electronic	3.0	4.7	-0.6	12.2	16.2	-8.9	8.3
Non-metallic Mineral Products	-26.9	-1.9	1.8	5.3	4.2	3.3	9.3
Refined Petroleum & Coal Products	-6.7	3.2	7.7	0.1	-3.4	6.7	1.4
Chemical & Chemical Products	-10.9	5.3	6.4	-0.1	5.2	1.8	5.0
Other Manufacturing	2.2	-3.6	-5.4	10.0	9.1	3.3	1.8

Note: 1. Gross Domestic Product on an industry basis is at factor cost, whereas GDP on an expenditure basis is at market prices.

Sources: Statistics Canada and Ontario Ministry of Finance.

Table 11 Ontario, Housing Market Indicators, 1991-1997

	1991	1992	1993	1994	1995	1996	1997
Residential Construction							
Current $ millions*	n/a	15,885	14,563	15,229	13,377	14,987	18,296
	n/a	-0.1	-8.3	4.6	-12.2	12.0	22.1
New Construction*	n/a	7,860	6,619	7,346	6,073	6,904	8,792
	n/a	n/a	-15.8	11.0	-17.3	13.7	27.3
Alterations and Improvements*	n/a	4,949	5,298	5,058	4,999	5,393	6,599
	n/a	n/a	7.1	-4.5	-1.2	7.9	22.3
Transfer Costs*	n/a	3,076	2,646	2,824	2,306	2,689	2,905
	n/a	n/a	-14.0	6.7	-18.4	16.6	8.0
Housing Starts (000's)*	52.8	55.8	45.1	46.6	35.8	43.1	54.1
	-15.7	5.6	-19.1	3.3	-23.2	20.2	25.6
Home Resales (000's)*	104.9	114.4	106.8	115.2	105.0	137.9	140.6
	19.4	9.0	-6.6	7.8	-8.8	31.4	1.9
Average Resale Home Price ($)*	171,232	161,493	156,555	160,158	154,606	155,662	164,382
	-0.4	-5.7	-3.1	2.3	-3.5	0.7	5.6

* Per cent change is shown on second line.

Sources: Statistics Canada, Canada Mortgage and Housing Corporation, Canadian Real Estate Association and Ontario Ministry of Finance.

Table 12 **Selected Financial Indicators, 1984-1997**

	1984	1985	1986	1987	1988	1989	1990
	(per cent)						
Interest Rates							
Bank Rate	11.3	9.6	9.2	8.4	9.7	12.3	13.0
Prime Rate	12.1	10.6	10.5	9.5	10.8	13.3	14.1
10-Year Government Bonds	12.8	11.0	9.5	9.9	10.2	9.9	10.9
Three-Month T-Bills	11.1	9.4	9.0	8.1	9.5	12.1	12.8
Mortgage Rates							
5-Year Rate	13.6	12.2	11.2	11.1	11.6	12.1	13.2
1-Year Rate	12.0	10.3	10.2	9.9	10.8	12.9	13.4
Household Debt Burden *							
Consumer	17.1	17.6	18.6	19.6	20.5	21.1	21.9
Mortgage	37.5	37.2	39.7	43.6	46.6	49.1	53.1
Total	54.6	54.7	58.3	63.2	67.2	70.2	75.0

Table 12 (continued)

	1991	1992	1993	1994	1995	1996	1997
	(per cent)						
Interest Rates							
Bank Rate	9.0	6.8	5.1	5.8	7.3	4.5	3.5
Prime Rate	9.9	7.5	5.9	6.9	8.6	6.1	5.0
10-Year Government Bonds	9.8	8.8	7.8	8.6	8.4	7.5	6.4
Three-Month T-Bills	8.7	6.6	4.8	5.5	7.0	4.2	3.2
Mortgage Rates							
5-Year Rate	11.2	9.5	8.7	9.3	9.2	7.9	7.1
1-Year Rate	10.1	7.9	6.9	7.8	8.4	6.2	5.5
Household Debt Burden *							
Consumer	21.8	21.3	21.4	22.6	23.2	24.5	26.7
Mortgage	55.7	59.2	62.5	65.6	65.8	67.5	70.5
Total	77.4	80.5	83.9	88.2	89.0	92.1	97.2

* Canadian household debt as a share of personal disposable income.

Note: All data are annual averages.

Sources: Statistics Canada and Bank of Canada.

Table 13 **Ontario and the G-7, Real GDP Growth, 1984-1997**

(per cent)

	1984	1985	1986	1987	1988	1989	1990
Ontario	8.3	5.0	4.4	4.0	6.0	3.0	-1.6
Canada	5.7	5.4	2.6	4.1	4.9	2.5	0.3
France	1.3	1.9	2.5	2.3	4.5	4.3	2.5
Germany	2.8	2.0	2.3	1.5	3.7	3.6	5.7
Italy	2.6	2.8	2.8	3.1	3.9	2.9	2.2
Japan	3.9	4.4	2.9	4.2	6.2	4.8	5.1
United Kingdom	2.3	3.8	4.3	4.8	5.0	2.2	0.4
United States	7.0	3.6	3.1	2.9	3.8	3.4	1.2

Table 13 (continued) (per cent)

	1991	1992	1993	1994	1995	1996	1997
Ontario	-3.2	1.1	1.1	4.7	3.3	1.1	4.4
Canada	-1.9	0.9	2.5	3.9	2.2	1.2	3.7
France	0.8	1.2	-1.3	2.8	2.1	1.5	2.4
Germany	5.0	2.2	-1.2	2.7	1.8	1.4	2.2
Italy	1.1	0.6	-1.2	2.2	2.9	0.7	1.5
Japan	3.8	1.0	0.3	0.6	1.5	3.9	0.9
United Kingdom	-2.0	-0.5	2.1	4.3	2.7	2.2	3.3
United States	-0.9	2.7	2.3	3.5	2.3	3.4	3.9

Sources: OECD, Statistics Canada and Ontario Ministry of Finance.

Table 14 Ontario and the G-7, Employment Growth, 1984-1997

	(per cent)						
	1984	1985	1986	1987	1988	1989	1990
Ontario	3.9	3.7	3.6	3.8	3.7	2.0	-0.3
Canada	2.7	3.0	3.0	2.7	3.2	2.1	0.6
France	-0.9	-0.1	0.5	0.4	1.0	1.5	0.8
Germany	0.2	0.7	1.4	0.7	0.8	1.5	3.0
Italy	0.3	0.3	0.4	-0.3	0.5	-0.1	1.2
Japan	0.6	0.7	0.8	1.0	1.7	2.0	2.0
United Kingdom	2.2	1.1	0.3	2.5	4.0	2.7	0.4
United States	4.1	2.0	2.3	2.6	2.2	2.1	1.2

Table 14 (continued)

	(per cent)						
	1991	1992	1993	1994	1995	1996	1997
Ontario	-3.5	-0.9	1.8	1.4	1.4	1.5	1.9
Canada	-1.9	-0.6	1.3	2.1	1.6	1.3	1.9
France	0.0	-0.6	-1.2	0.1	0.9	0.0	0.3
Germany	2.5	-1.8	-1.7	-0.7	-0.3	-1.2	-1.3
Italy	0.7	-0.9	-2.5	-1.7	-0.6	0.4	0.0
Japan	1.9	1.1	0.2	0.0	0.1	0.5	1.1
United Kingdom	-3.0	-2.1	-0.4	1.0	1.2	1.1	1.7
United States	-0.9	0.7	1.5	2.3	1.5	1.4	2.2

Sources: OECD and Statistics Canada.

Table 15 Ontario and the G-7, Unemployment Rates, 1984-1997

(per cent)

	1984	1985	1986	1987	1988	1989	1990
Ontario	9.0	8.1	7.0	6.1	5.0	5.1	6.3
Canada	11.3	10.5	9.6	8.9	7.8	7.5	8.1
France	9.7	10.2	10.4	10.5	10.0	9.3	8.9
Germany	7.9	8.0	7.7	7.6	7.6	6.9	6.2
Italy	8.5	8.6	9.9	10.2	10.5	10.2	9.1
Japan	2.7	2.6	2.8	2.8	2.5	2.3	2.1
United Kingdom	11.4	11.6	11.8	10.2	7.8	6.1	5.9
United States	7.5	7.2	7.0	6.2	5.5	5.3	5.6

Table 15 (continued)

(per cent)

	1991	1992	1993	1994	1995	1996	1997
Ontario	9.6	10.9	10.6	9.6	8.7	9.1	8.5
Canada	10.4	11.3	11.2	10.4	9.5	9.7	9.2
France	9.4	10.4	11.7	12.2	11.5	12.3	12.4
Germany	6.7	7.7	8.8	9.6	9.4	10.3	11.4
Italy	8.6	8.8	10.2	11.3	12.0	12.1	12.3
Japan	2.1	2.2	2.5	2.9	3.1	3.4	3.4
United Kingdom	8.2	10.2	10.3	9.4	8.6	8.0	6.9
United States	6.8	7.5	6.9	6.1	5.6	5.4	4.9

Sources: OECD and Statistics Canada.

Table 16 Ontario and the G-7, CPI Inflation Rates, 1984-1997

	(per cent)						
	1984	1985	1986	1987	1988	1989	1990
Ontario	4.9	4.1	4.4	5.0	4.8	5.7	4.9
Canada	4.3	4.0	4.1	4.4	4.0	5.0	4.8
France	7.4	5.8	2.7	3.1	2.7	3.6	3.4
Germany	2.4	2.1	-0.1	0.2	1.3	2.8	2.7
Italy	10.6	8.6	6.1	4.6	5.0	6.6	6.1
Japan	2.3	2.0	0.6	0.1	0.7	2.3	3.1
United Kingdom	5.0	6.1	3.4	4.1	4.9	7.8	9.5
United States	4.3	3.5	1.9	3.7	4.1	4.8	5.4

Table 16 (continued)

	(per cent)						
	1991	1992	1993	1994	1995	1996	1997
Ontario	4.7	1.0	1.8	0.0	2.5	1.5	1.9
Canada	5.6	1.5	1.8	0.2	2.2	1.6	1.6
France	3.2	2.4	2.1	1.7	1.7	2.0	1.2
Germany	3.6	5.1	4.5	2.7	1.8	1.5	1.8
Italy	6.5	5.3	4.2	3.9	5.4	3.8	1.8
Japan	3.3	1.7	1.2	0.7	-0.1	0.1	1.7
United Kingdom	5.9	3.7	1.6	2.5	3.4	2.4	3.1
United States	4.2	3.0	3.0	2.6	2.8	2.9	2.3

Sources: OECD and Statistics Canada.

Table 17 **G-7, Exchange Rates, 1984-1997**

(Foreign currency per Canadian dollar)

	1984	1985	1986	1987	1988	1989	1990
France	6.711	6.536	4.975	4.525	4.831	5.376	4.651
Germany	2.193	2.137	1.555	1.353	1.422	1.585	1.381
Italy	1351.4	1388.9	1063.8	980.4	1052.6	1162.8	1020.4
Japan	183.2	173.3	120.5	108.8	104.1	116.3	123.5
United Kingdom	0.579	0.565	0.491	0.460	0.456	0.515	0.480
United States	0.772	0.732	0.720	0.754	0.812	0.845	0.857

Table 17 (continued)

(Foreign currency per Canadian dollar)

	1991	1992	1993	1994	1995	1996	1997
France	4.902	4.367	4.386	4.050	3.631	3.750	4.211
Germany	1.441	1.289	1.280	1.184	1.043	1.103	1.251
Italy	1075.3	1020.4	1219.5	1176.5	1186.2	1131.2	1228.5
Japan	117.2	104.7	85.8	74.7	68.0	79.7	8.73
United Kingdom	0.493	0.469	0.516	0.478	0.461	0.470	0.441
United States	0.873	0.827	0.775	0.732	0.729	0.733	0.722

Note: All data are annual averages.

Source: Bank of Canada.

Table 18 **Ontario, International Merchandise Exports by Major Commodity, 1997**

	Value ($ millions)	Per cent of total
Motor Vehicles, Parts and Accessories	59,189	38.3
Machinery and Mechanical Appliances	19,701	12.8
Electrical Machinery and Equipment	8,501	5.5
Non-Ferrous Metals and Allied Products	6,256	4.1
Pulp; Paper and Allied Products	5,093	3.3
Plastics and Plastic Articles	4,957	3.2
Furniture and Fixtures, Signs, Prefabricated Buildings	3,780	2.4
Precious Metals, Stones and Coins	3,621	2.3
Prepared Foodstuffs, Beverages and Tobacco	3,156	2.0
Iron and Steel	2,626	1.7
Other Chemical Products	2,596	1.7
Articles of Iron and Steel	2,594	1.7
Wood and Wood Products	2,273	1.5
Scientific, Professional and Photo Equipment, Clocks	2,089	1.4
Mineral Products	1,798	1.2
Rubber and Rubber Articles	1,703	1.1
Aircraft, Spacecraft and Parts	1,681	1.1
Articles of Stone, Cement, Ceramic and Glass	1,456	0.9
Inorganic Chemicals; Chemical Elements & Compound	1,438	0.9
Railway, Rolling Stock and Parts	1,265	0.8
Textiles and Textile Articles	1,245	0.8
Live Animals; Animal Products	1,239	0.8
Vegetable Products; Fats and Oils	1,154	0.7
Organic Chemicals	896	0.6
Pharmaceutical Products	832	0.5
Printed Matter	611	0.4
Apparel and Clothing Accessories	535	0.3
Toys, Games and Sports Equipment	466	0.3
Hides, Leather, Travel Goods and Furs	358	0.2
Miscellaneous Articles; Works of Art	263	0.2
Other Textile and Clothing Articles	116	0.1
Footwear	102	0.1
Ships, Boats and Floating Structures	38	0.0
Headgear, Umbrellas, Artificial Flowers	29	0.0
Other Commodities	10,782	7.0
Total Exports	**154,442**	**100.0**

Notes: 1. Ontario Ministry of Economic Development, Trade and Tourism definition of product groupings based on two-digit Harmonized System Codes. Data are customs based.

2. Other Commodities includes re-exports and special transactions.

Sources: Statistics Canada and Ontario Ministry of Economic Development, Trade and Tourism.

Table 19 **Ontario, International Merchandise Imports by Major Commodity, 1997**

	Value ($ millions)	Per cent of total
Motor Vehicles, Parts and Accessories	40,787	23.2
Machinery and Mechanical Appliances	35,792	20.4
Electrical Machinery and Equipment	21,316	12.1
Scientific, Professional and Photo Equipment, Clocks	6,300	3.6
Non-Ferrous Metals and Allied Products	6,276	3.6
Plastics and Plastic Articles	5,992	3.4
Other Chemical Products	5,721	3.3
Prepared Foodstuffs, Beverages and Tobacco	3,916	2.2
Pulp; Paper and Allied Products	3,195	1.8
Vegetable Products; Fats and Oils	3,184	1.8
Articles of Iron and Steel	3,085	1.8
Iron and Steel	3,014	1.7
Mineral Products	2,860	1.6
Furniture and Fixtures, Signs, Prefabricated Buildings	2,679	1.5
Organic Chemicals	2,678	1.5
Rubber and Rubber Articles	2,595	1.5
Textiles and Textile Articles	2,500	1.4
Articles of Stone, Cement and Glass	2,283	1.3
Printed Matter	2,242	1.3
Aircraft, Spacecraft and Parts	1,897	1.1
Pharmaceutical Products	1,812	1.0
Precious Metals, Stones and Coins	1,744	1.0
Apparel and Clothing Accessories	1,677	1.0
Toys, Games and Sports Equipment	1,395	0.8
Live Animals; Animal Products	1,254	0.7
Wood and Wood Products	1,012	0.6
Railway, Rolling Stock and Parts	813	0.5
Inorganic Chemicals; Chemical Elements & Compound	806	0.5
Footwear	696	0.4
Hides, Leather, Travel Goods and Furs	638	0.4
Miscellaneous Articles; Works of Art	608	0.3
Other Textile and Clothing Articles	366	0.2
Ships, Boats and Floating Structures	152	0.1
Headgear, Umbrellas, Artificial Flowers	109	0.1
Other Commodities	4,269	2.4
Total Imports	**175,663**	**100.0**

Notes: 1. Ontario Ministry of Economic Development, Trade and Tourism definition of product groupings based on two-digit Harmonized System Codes. Data are customs based.

2. Other Commodities includes trans-shipments from one province to another through a foreign jurisdiction and special transactions.

Sources: Statistics Canada and Ontario Ministry of Economic Development, Trade and Tourism.

Table 20 **Ontario, International Merchandise Trade by Major Region, 1997**

	Exports ($ millions)	Per cent of total	Imports ($ millions)	Per cent of total
United States	139,702	90.5	134,114	76.3
Western Europe	5,585	3.6	11,973	6.8
European Union	4,777	3.1	11,219	6.4
Other Western Europe	809	0.5	754	0.4
Eastern Europe	465	0.3	538	0.3
Asia	5,032	3.3	18,143	10.3
Pacific Rim	4,868	3.2	17,634	10.0
Other Asia	164	0.1	509	0.3
Caribbean	356	0.2	158	0.1
Latin America	2,329	1.5	7,515	4.3
Mexico	567	0.4	5,691	3.2
Middle East	639	0.4	410	0.2
Africa	335	0.2	373	0.2
Statistical Discrepancy	N/A	0.0	2,439	1.4
Total	**154,442**	**100.0**	**175,663**	**100.0**

Note: Figures may not add to totals due to rounding. Data are customs based, and include re-exports.

Sources: Statistics Canada and Ontario Ministry of Economic Development, Trade and Tourism.

Table 21 **Canada, International Merchandise Trade by Major Region, 1997**

	Exports ($ millions)	Per cent of total	Imports ($ millions)	Per cent of total
United States	245,090	81.9	183,926	67.6
Western Europe	16,632	5.6	31,203	11.5
European Union	15,352	5.1	26,793	9.8
Other Western Europe	1,280	0.4	4,410	1.6
Eastern Europe	996	0.3	1,309	0.5
Asia	25,012	8.4	35,201	12.9
Pacific Rim	24,178	8.1	33,942	12.5
Other Asia	834	0.3	1,260	0.5
Caribbean	859	0.3	797	0.3
Latin America	5,969	2.0	11,205	4.1
Mexico	1,328	0.4	6,991	2.6
Middle East	2,335	0.8	1,887	0.7
Africa	2,191	0.7	2,095	0.8
Statistical Discrepancy	6	0.0	4,478	1.6
Total	**299,090**	**100.0**	**272,101**	**100.0**

Note: Figures may not add to totals due to rounding. Data are customs based.

Sources: Statistics Canada and Ontario Ministry of Economic Development, Trade and Tourism.

Table 22 **Ontario, Selected Demographic Characteristics, 1976-2016**[1]

	Estimates[2]			Projections[3]	
	1976	1986	1996	2006	2016
Total Population (000s)	8,414	9,438	11,101	13,006	14,486
Annual Average Growth Over Preceding Decade (%)	1.7	1.2	1.6	1.6	1.1
Median Age (Years)	28.5	31.9	35.1	38.3	40.7
Age Group Shares (%)					
0-14	24.8	20.2	20.0	18.4	16.5
15-24	19.2	17.2	13.1	12.9	12.4
25-44	27.6	32.1	33.4	29.9	26.9
45-64	19.5	19.8	21.2	25.7	28.1
65-74	5.5	6.5	7.2	6.8	9.1
75+	3.4	4.2	5.0	6.3	7.0
Total Fertility Rate	1.7	1.6	1.6	1.7	1.7
Life Expectancy (Years)					
Male	70.8	73.8	76.1	77.5	78.8
Female	78.0	80.0	81.4	83.0	84.4
Families (000s)[4]	2,105	2,446	2,933	3,628	4,227
Households (000s)[4]	2,635	3,222	3,925	4,916	5,774

Notes: 1. Population figures are for July.

2. Estimates of total population are based on the 1996 Census adjusted for net Census undercoverage. All other estimates, except families and households, are based on the 1991 Census. Data based on the 1996 Census will be released later this year.

3. Projections are Ontario Ministry of Finance projections based on the 1991 Census except for families and households which are Statistics Canada projections based on the 1991 Census.

4. Estimates of families and households are Census data. These data are not adjusted for net Census undercoverage.

Sources: Statistics Canada (Estimates and Families and Households Projections, 1996-2016) and Ontario Ministry of Finance (Population Projections to 2021).

Table 23 **Ontario, Components of Population Growth, 1986-87 - 1997-98[1]**

(thousands)

	1986-87	1987-88	1988-89	1989-90	1990-91	1991-92
Population at Beginning of Period	**9,437.8**	**9,644.9**	**9,843.8**	**10,109.8**	**10,299.6**	**10,427.6**
Births	134.9	135.7	140.8	150.1	150.6	152.1
Deaths	67.4	70.2	69.7	71.3	71.5	73.6
Immigrants	70.2	85.2	98.3	108.6	113.9	128.3
Emigrants	21.0	17.9	17.5	16.7	18.6	19.5
Interprovincial Arrivals	104.6	99.2	89.0	84.1	73.8	70.8
Interprovincial Departures	58.5	68.7	80.7	94.3	84.7	81.9
Net Non-Permanent Residents	32.3	24.9	95.4	20.0	(43.4)	(21.7)
Population Growth During Period	207.0	198.9	266.0	189.8	128.1	142.9
Population at End of Period[2]	**9,644.9**	**9,843.8**	**10,109.8**	**10,299.6**	**10,427.6**	**10,570.5**
Population Growth (%)	2.2	2.1	2.7	1.9	1.2	1.4

Table 23 (continued)

(thousands)

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98
Population at Beginning of Period	**10,570.5**	**10,690.4**	**10,827.5**	**10,964.9**	**11,100.9**	**11,253.6**
Births	148.7	147.1	147.2	143.1	140.9	138.5
Deaths	74.6	77.3	78.2	77.7	81.8	81.2
Immigrants	145.0	119.6	119.8	115.4	119.4	106.3
Emigrants	18.6	19.2	19.9	20.0	21.0	21.1
Interprovincial Arrivals	66.4	64.6	66.9	69.1	81.9	85.7
Interprovincial Departures	80.6	74.0	69.7	71.9	86.7	79.0
Net Non-Permanent Residents	(54.4)	(12.0)	(16.9)	(12.2)	(9.5)	(8.0)
Population Growth During Period	120.0	137.1	137.4	136.0	152.7	151.1
Population at End of Period[2]	**10,690.4**	**10,827.5**	**10,964.9**	**11,100.9**	**11,253.6**	**11,404.8**
Population Growth (%)	1.1	1.3	1.3	1.2	1.4	1.3

Notes: 1. Data are from July 1 to June 30 (Census year). Estimates of the components of population growth are based on the 1996 Census adjusted for net Census undercoverage.

2. The sum of the components does not equal the total change in population due to residual errors in estimation and the exclusion of returning Canadians.

Source: Statistics Canada, Intercensal and Postcensal Estimates and Components of Change.

Table 24 **Ontario, Labour Force, 1984-1997**

	1984	1985	1986	1987	1988	1989	1990
Labour Force (000s)	4,886	5,012	5,133	5,272	5,408	5,521	5,577
Annual Labour Force Growth (%)	2.3	2.6	2.4	2.7	2.6	2.1	1.0
Participation Rate (%)							
Male	78.9	79.1	79.4	79.4	79.1	79.3	78.2
Female	57.8	58.6	59.1	60.2	61.4	61.7	61.8
Share of Labour Force (%)							
Youth (15-24)	24.0	23.4	23.0	22.3	21.2	20.4	19.4
Older Worker (45+)	26.6	26.8	25.9	26.1	26.2	26.1	26.4

Table 24 (continued)	1991	1992	1993	1994	1995	1996	1997
Labour Force (000s)	5,582	5,610	5,692	5,707	5,732	5,839	5,915
Annual Labour Force Growth (%)	0.1	0.5	1.5	0.3	0.4	1.9	1.3
Participation Rate (%)							
Male	76.5	75.5	75.0	73.9	73.1	73.1	73.3
Female	61.2	60.2	60.0	59.3	58.7	59.2	58.7
Share of Labour Force (%)							
Youth (15-24)	18.5	17.9	17.0	16.4	16.1	15.8	15.7
Older Worker (45+)	26.5	27.5	28.1	28.8	28.9	29.5	30.0

Sources: Statistics Canada and Ontario Ministry of Finance.

Table 25 **Ontario, Employment, 1984-1997**

	1984	1985	1986	1987	1988	1989	1990
Total Employment (000s)	4,444	4,608	4,772	4,951	5,136	5,241	5,226
Male	2,531	2,613	2,703	2,789	2,857	2,905	2,866
Female	1,912	1,995	2,069	2,162	2,279	2,336	2,360
Annual Employment Growth (%)	3.9	3.7	3.6	3.8	3.7	2.0	-0.3
Net Job Creation (000s)	165	165	164	180	185	105	-15
Private-Sector Employment (000s)	3,599	3,735	3,877	4,019	4,155	4,257	4,224
Broader Public-Sector Employment (000s)[1]	844	874	895	932	981	984	1,001
Manufacturing Employment (% of total)	23.4	23.0	22.5	22.1	21.2	20.8	19.6
Services Employment (% of total)	66.3	66.7	67.0	67.3	68.3	67.9	69.4
Part-time (% of total)	16.8	16.8	16.5	16.3	16.6	16.6	17.1
Average Hours Worked Per Week[2]	37.6	37.7	37.7	37.8	38.3	38.6	38.2
Table 25 (continued)	1991	1992	1993	1994	1995	1996	1997
Total Employment (000s)	5,044	5,001	5,089	5,160	5,231	5,311	5,413
Male	2,736	2,700	2,759	2,800	2,844	2,881	2,963
Female	2,307	2,300	2,330	2,360	2,388	2,430	2,450
Annual Employment Growth (%)	-3.5	-0.8	1.8	1.4	1.4	1.5	1.9
Net Job Creation (000s)	-182	-43	88	71	71	80	102
Private-Sector Employment (000s)	4,003	3,932	3,997	4,071	4,187	4,277	4,407
Broader Public-Sector Employment (000s)[1]	1,040	1,069	1,091	1,089	1,044	1,034	1,006
Manufacturing Employment (% of total)	18.6	17.8	17.4	17.5	18.6	18.6	18.7
Services Employment (% of total)	71.0	72.2	73.0	72.9	72.3	72.1	72.1
Part-time (% of total)	18.3	18.5	19.4	18.8	18.5	19.1	19.1
Average Hours Worked Per Week[2]	37.3	36.7	37.3	37.7	37.3	37.7	37.9

Notes: 1. Broader Public-Sector includes Public Administration, Health and Social Services, and Education and Related Services, with the exception of employment in: offices of health and social service practitioners, museums, archives, most private-sector educational institutions and religious organizations.

2. Average actual hours worked per week at all jobs, excluding persons not at work.

Sources: Statistics Canada and Ontario Ministry of Finance.

Table 26 **Ontario, Unemployment, 1984-1997**

	1984	1985	1986	1987	1988	1989	1990
Total Unemployment (000s)	442	404	361	321	272	281	351
Unemployment Rate (%)	9.0	8.1	7.0	6.1	5.0	5.1	6.3
Male	8.7	7.7	6.7	5.5	4.6	4.8	6.3
Female	9.5	8.5	7.5	6.9	5.6	5.5	6.3
Toronto CMA	N/A	N/A	N/A	4.5	3.7	4.0	5.3
Northern Ontario	N/A	N/A	N/A	9.7	7.9	7.5	8.2
Youth (15-24)	14.8	13.0	11.5	9.7	8.1	7.9	10.4
Older Workers (45+)	6.1	5.5	4.7	4.4	3.5	3.3	4.0
Unemployment (% of total)							
Long-Term (27 weeks+)	22.5	19.6	18.0	16.7	12.6	13.0	13.7
Youth (15-24)	39.3	37.8	37.5	35.4	34.3	31.8	32.1
Older Workers (45+)	17.9	18.2	17.1	18.9	18.0	17.1	16.8
Average Duration (weeks)[1]	19.2	17.8	16.5	16.0	13.3	13.4	13.8
Youth (15-24)[1]	14.2	12.5	12.5	10.9	8.7	8.5	10.2
Older Workers (45+)[1]	25.4	23.6	23.6	22.2	19.9	19.2	18.9

Table 26 (continued)	1991	1992	1993	1994	1995	1996	1997
Total Unemployment (000s)	538	609	604	547	501	529	502
Unemployment Rate (%)	9.6	10.9	10.6	9.6	8.7	9.1	8.5
Male	10.2	11.9	11.2	9.9	8.8	8.9	8.1
Female	9.0	9.6	9.9	9.2	8.7	9.2	9.0
Toronto CMA	9.7	11.4	11.0	10.3	8.5	9.1	8.0
Northern Ontario	11.4	12.7	12.1	11.6	9.9	10.7	10.4
Youth (15-24)	15.3	18.2	17.9	16.4	15.4	15.6	16.7
Older Workers (45+)	6.8	7.5	7.3	6.9	6.4	6.3	6.0
Unemployment (% of total)							
Long-Term (27 weeks+)	22.6	29.8	33.4	32.4	29.3	28.2	25.5
Youth (15-24)	29.5	29.9	28.7	28.0	28.4	27.1	30.8
Older Workers (45+)	18.8	19.0	19.3	20.8	21.1	20.5	21.1
Average Duration (weeks)[1]	18.6	23.3	26.8	27.6	25.8	25.2	26.6
Youth (15-24)[1]	13.6	16.8	18.6	18.2	16.6	15.6	13.9
Older Workers (45+)[1]	22.8	29.7	33.8	34.9	33.2	32.3	42.3

Note: 1. Prior to September 1996, data on duration of unemployment were top-coded to 99 weeks since only two digits were processed. This restriction was removed with the redesigned Labour Force Survey questionnaire, which was phased in between September 1996 and January 1997.

Sources: Statistics Canada and Ontario Ministry of Finance.

Table 27 **Ontario, Employment Insurance (EI) and Social Assistance, 1984-1997**

	1984	1985	1986	1987	1988	1989	1990
EI Regular Beneficiaries (000s)	265	247	221	190	172	167	225
Maximum Weekly Insurable Earnings ($) [1]	425	460	495	530	565	605	640
Maximum Weekly Entitlement ($)	255	276	297	318	339	363	384
Premium Rate							
Employer ($/$100 Insurable Earnings) [2]	3.22	3.29	3.29	3.29	3.29	2.73	3.15
Employee ($/$100 Insurable Earnings) [2]	2.30	2.35	2.35	2.35	2.35	1.95	2.25
Total Benefits Paid to Ontario ($ millions) [3]	2,517	2,551	2,483	2,387	2,370	2,470	3,419
Premiums Paid from Ontario ($ millions) [3]	3,158	3,574	3,946	4,379	4,804	4,346	5,281
Social Assistance Caseload (000s)	257	261	268	279	289	307	366

Table 27 (continued)

	1991	1992	1993	1994	1995	1996	1997
EI Regular Beneficiaries (000s)	319	322	294	228	181	180	147
Maximum Weekly Insurable Earnings ($) [1]	680	710	745	780	815	750	39,000[1]
Maximum Weekly Entitlement ($)	408	426	425	429	448	413	413
Premium Rate							
Employer ($/$100 Insurable Earnings) [2]	3.15/3.92	4.20	4.20	4.30	4.20	4.13	4.06
Employee ($/$100 Insurable Earnings) [2]	2.25/2.80	3.00	3.00	3.07	3.00	2.95	2.90
Total Benefits Paid to Ontario ($ millions) [3]	5,362	5,845	5,406	4,511	3,796	3,653	3,436
Premiums Paid from Ontario ($ millions) [3]	6,058	7,279	7,400	7,797	7,997	7,555	8,017
Social Assistance Caseload (000s)	499	608	660	673	660	599	568

Notes: 1. Effective January 1, 1997, the maximum weekly insurable earnings of $750 was eliminated and replaced with an annual maximum set at $39,000.

2. Premium rates for 1991 changed at mid-year.

3. Employment Insurance benefit payments are on a cash basis; premiums are paid on an accrual basis.

Sources: Statistics Canada, Ontario Ministry of Finance and Ontario Ministry of Community and Social Services.

Table 28 **Ontario, Labour Compensation, 1984-1997**

	1984	1985	1986	1987	1988	1989	1990
Average Weekly Earnings[1] ($)	395.72	414.47	433.35	453.80	477.70	505.11	526.81
Increase (%)	5.1	4.7	4.6	4.7	5.3	5.7	4.3
CPI Inflation (%)	4.9	4.1	4.4	5.0	4.8	5.7	4.9
AWE Increase Less CPI Inflation (%)	0.2	0.6	0.2	-0.4	0.6	-0.1	-0.5
AWE - Manufacturing ($)	481.88	508.03	524.76	548.57	574.71	599.94	632.38
Increase (%)	5.5	5.4	3.3	4.5	4.8	4.4	5.4
Increase Less CPI Inflation (%)	0.6	1.3	-1.1	-0.6	0.1	-1.4	0.6
Wage Settlement Increases[2] (%)							
All Sectors	N/A	4.2	4.3	3.9	4.7	5.6	6.5
Public	N/A	4.8	4.6	4.7	4.7	5.8	6.8
Private	N/A	2.8	3.7	2.7	4.6	5.0	6.3
Person Days Lost Due to Strikes and Lockouts (000s)	1,414	1,232	941	1,109	1,362	869	2,958
Minimum Wage at Year End ($/hour)	4.00	4.00	4.35	4.55	4.75	5.00	5.40

Table 28 (continued)	1991	1992	1993	1994	1995	1996	1997
Average Weekly Earnings[1] ($)	553.92	576.85	589.55	604.79	610.29	625.71	638.97
Increase (%)	5.1	4.1	2.2	2.6	0.9	2.5	2.1
CPI Inflation (%)	4.7	1.0	1.8	0.0	2.5	1.5	1.9
AWE Increase Less CPI Inflation (%)	0.5	3.0	0.5	2.5	-1.5	1.0	0.2
AWE - Manufacturing ($)	663.46	696.85	716.07	739.08	749.94	773.80	802.48
Increase (%)	4.9	5.0	2.8	3.2	1.5	3.2	3.7
Increase Less CPI Inflation (%)	0.3	3.9	1.1	3.1	-0.9	1.7	1.8
Wage Settlement Increases[2] (%)							
All Sectors	4.9	2.7	1.0	0.4	1.0	1.0	1.1
Public	5.0	2.6	0.5	0.1	0.2	0.3	0.7
Private	4.6	2.7	1.9	1.2	1.7	2.2	2.0
Person Days Lost Due to Strikes and Lockouts (000s)	454	578	371	488	477	1,915	1,904
Minimum Wage at Year End ($/hour)	6.00	6.35	6.35	6.70	6.85	6.85	6.85

Notes: 1. Average Weekly Earnings (AWE) includes overtime.

2. Wage settlement increases are for collective agreements covering 200 or more employees.

Sources: Statistics Canada, Ontario Ministry of Labour and Ontario Ministry of Finance.

Table 29 Ontario, Employment by Occupation, 1984-1997

	(thousands)						
	1984	1985	1986	1987	1988	1989	1990
Managerial and Other Professional	1,229	1,326	1,355	1,452	1,554	1,566	1,606
Clerical	780	799	794	841	897	904	902
Sales	425	420	463	462	486	486	511
Service	578	613	620	622	633	639	643
Primary Occupations	166	163	158	154	157	158	152
Processing, Machining and Fabricating	722	717	754	757	755	791	739
Construction Trades	221	225	259	279	282	315	312
Transport Equipment and Operating	147	162	161	179	173	186	182
Material Handling and Other Crafts	176	183	208	205	199	196	178
Total	**4,444**	**4,608**	**4,772**	**4,951**	**5,136**	**5,241**	**5,226**

Table 29 (continued)

	(thousands)						
	1991	1992	1993	1994	1995	1996	1997
Managerial and Other Professional	1,660	1,673	1,726	1,749	1,785	1,773	1,826
Clerical	849	831	805	782	781	757	746
Sales	479	490	503	521	513	537	575
Service	626	651	674	667	679	707	692
Primary Occupations	146	145	155	149	143	148	147
Processing, Machining and Fabricating	674	632	642	661	706	740	770
Construction Trades	257	239	245	250	248	249	266
Transport Equipment and Operating	174	167	170	186	184	191	192
Material Handling and Other Crafts	178	173	170	195	192	208	199
Total	**5,044**	**5,001**	**5,089**	**5,160**	**5,231**	**5,311**	**5,413**

Source: Statistics Canada.

Table 30 Ontario, Distribution of Employment by Occupation, 1984-1997

	1984	1985	1986	1987	1988	1989	1990
	(per cent)						
Managerial and Other Professional	27.7	28.8	28.4	29.3	30.3	29.9	30.7
Clerical	17.6	17.3	16.6	17.0	17.5	17.2	17.3
Sales	9.6	9.1	9.7	9.3	9.5	9.3	9.8
Service	13.0	13.3	13.0	12.6	12.3	12.2	12.3
Primary Occupations	3.7	3.5	3.3	3.1	3.1	3.0	2.9
Processing, Machining and Fabricating	16.2	15.6	15.8	15.3	14.7	15.1	14.1
Construction Trades	5.0	4.9	5.4	5.6	5.5	6.0	6.0
Transport Equipment and Operating	3.3	3.5	3.4	3.6	3.4	3.5	3.5
Material Handling and Other Crafts	4.0	4.0	4.4	4.1	3.9	3.7	3.4
Total	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**

Table 30 (continued)

	1991	1992	1993	1994	1995	1996	1997
	(per cent)						
Managerial and Other Professional	32.9	33.5	33.9	33.9	34.1	33.4	33.7
Clerical	16.8	16.6	15.8	15.2	14.9	14.3	13.8
Sales	9.5	9.8	9.9	10.1	9.8	10.1	10.6
Service	12.4	13.0	13.2	12.9	13.0	13.3	12.8
Primary Occupations	2.9	2.9	3.0	2.9	2.7	2.8	2.7
Processing, Machining and Fabricating	13.4	12.6	12.6	12.8	13.5	13.9	14.2
Construction Trades	5.1	4.8	4.8	4.8	4.7	4.7	4.9
Transport Equipment and Operating	3.4	3.3	3.3	3.6	3.5	3.6	3.5
Material Handling and Other Crafts	3.5	3.5	3.3	3.8	3.7	3.9	3.7
Total	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**

Source: Statistics Canada.

Table 31 **Ontario, Employment by Industry, 1988-1997**

	(thousands)				
	1988	1989	1990	1991	1992
Goods Producing Industries	**1,630**	**1,683**	**1,596**	**1,463**	**1,388**
Primary Industries	175	178	169	165	162
Agriculture	113	120	113	114	118
Manufacturing	1,088	1,090	1,022	939	889
Construction	310	350	346	294	270
Utilities	58	66	60	65	68
Services Producing Industries	**3,506**	**3,558**	**3,629**	**3,581**	**3,613**
Transportation, Storage and Communication	286	321	307	285	283
Transportation & Storage	166	185	180	178	172
Communication	120	136	127	107	111
Trade	902	871	900	861	852
Wholesale	244	215	235	211	223
Retail	659	655	665	650	629
Finance, Insurance and Real Estate	345	338	361	351	356
Community, Business and Personal Services	1,658	1,707	1,736	1,762	1,787
Education	328	328	333	344	357
Health & Social Services	422	428	433	468	474
Business Services	297	322	334	330	319
Accommodation, Food & Beverage Services	283	296	301	291	294
Amusement & Recreation	63	66	61	71	69
Personal & Household Services	129	113	109	105	116
Other Services	135	155	165	153	158
Public Administration	315	322	325	321	334
Federal	131	127	123	127	130
Provincial	75	87	85	86	93
Local	108	108	116	106	111
Total Employment	**5,136**	**5,241**	**5,226**	**5,044**	**5,001**

Table 31 (continued) Ontario, Employment by Industry, 1988-1997

	(thousands)				
	1993	1994	1995	1996	1997
Goods Producing Industries	**1,373**	**1,399**	**1,451**	**1,480**	**1,511**
Primary Industries	162	155	156	160	150
Agriculture	125	118	109	117	111
Manufacturing	886	901	972	988	1,010
Construction	267	284	264	267	294
Utilities	58	59	59	64	57
Services Producing Industries	**3,716**	**3,761**	**3,781**	**3,831**	**3,902**
Transportation, Storage and Communication	286	300	323	319	327
Transportation & Storage	167	177	185	188	200
Communication	118	123	137	132	127
Trade	862	883	865	908	927
Wholesale	215	236	229	238	258
Retail	647	647	635	670	669
Finance, Insurance and Real Estate	363	340	353	337	349
Community, Business and Personal Services	1,869	1,913	1,947	1,977	2,013
Education	360	376	356	343	353
Health & Social Services	495	491	494	497	474
Business Services	325	370	391	400	443
Accommodation, Food & Beverage Services	300	299	316	330	324
Amusement & Recreation	81	84	86	92	100
Personal & Household Services	130	123	127	132	132
Other Services	178	170	177	183	187
Public Administration	337	326	293	290	287
Federal	132	120	111	113	110
Provincial	83	91	76	73	62
Local	121	113	106	102	114
Total Employment	**5,089**	**5,160**	**5,231**	**5,311**	**5,413**

Source: Statistics Canada.

Table 32 **Ontario, Growth in Employment by Industry, 1988-1997**

(per cent change)

	1988	1989	1990	1991	1992
Goods Producing Industries	**0.8**	**3.3**	**-5.2**	**-8.3**	**-5.1**
Primary Industries	-2.2	1.1	-4.5	-2.4	-1.8
Agriculture	-5.0	6.2	-5.8	0.9	3.5
Manufacturing	-0.5	0.1	-6.2	-8.1	-5.3
Construction	6.6	13.3	-1.1	-15.0	-8.2
Utilities	7.4	13.8	-9.1	8.3	4.6
Services Producing Industries	**5.2**	**1.5**	**2.0**	**-1.3**	**0.9**
Transportation, Storage and Communication	2.9	12.2	-4.4	-7.2	-0.7
Transportation & Storage	0.0	11.4	-2.7	-1.1	-3.4
Communication	7.1	13.3	-6.6	-15.7	3.7
Trade	6.2	-3.4	3.3	-4.3	-1.0
Wholesale	11.4	-11.9	9.3	-10.2	5.7
Retail	4.6	-0.6	1.5	-2.3	-3.2
Finance, Insurance and Real Estate	6.5	-2.0	6.8	-2.8	1.4
Community, Business and Personal Services	4.8	3.0	1.7	1.5	1.4
Education	6.5	0.0	1.5	3.3	3.8
Health & Social Services	5.8	1.4	1.2	8.1	1.3
Business Services	8.0	8.4	3.7	-1.2	-3.3
Accommodation, Food & Beverage Services	-0.4	4.6	1.7	-3.3	1.0
Amusement & Recreation	3.3	4.8	-7.6	16.4	-2.8
Personal & Household Services	14.2	-12.4	-3.5	-3.7	10.5
Other Services	-4.9	14.8	6.5	-7.3	3.3
Public Administration	4.7	1.9	1.2	-1.2	4.0
Federal	10.1	-3.1	-3.1	3.3	2.4
Provincial	-9.6	16.0	-2.3	1.2	8.1
Local	10.2	0.0	7.4	-8.6	4.7
Total Employment	**3.7**	**2.0**	**-0.3**	**-3.5**	**-0.9**

Table 32 (continued) **Ontario, Growth in Employment by Industry, 1988-1997**

	(per cent change)				
	1993	1994	1995	1996	1997
Goods Producing Industries	**-1.2**	**2.0**	**3.6**	**2.0**	**2.1**
Primary Industries	-0.6	-3.7	0.6	2.6	-6.1
Agriculture	5.9	-5.6	-7.6	7.3	-5.6
Manufacturing	-0.3	1.7	7.9	1.6	2.2
Construction	-1.1	6.4	-7.0	1.1	9.8
Utilities	-14.7	1.7	0.0	8.5	-11.5
Services Producing Industries	**2.9**	**1.2**	**0.5**	**1.3**	**1.9**
Transportation, Storage and Communication	0.7	5.3	7.7	-1.2	2.5
Transportation & Storage	-2.9	6.0	4.5	1.6	6.4
Communication	6.3	4.2	11.4	-3.6	-3.8
Trade	1.2	2.4	-2.0	5.0	2.1
Wholesale	-3.6	9.8	-3.0	3.9	8.4
Retail	2.9	0.0	-1.9	5.5	-0.1
Finance, Insurance and Real Estate	2.0	-6.3	3.8	-4.5	3.4
Community, Business and Personal Services	4.6	2.4	1.8	1.5	1.8
Education	0.8	4.4	-5.3	-3.7	2.9
Health & Social Services	4.4	-0.8	0.6	0.6	-4.6
Business Services	1.9	13.8	5.7	2.3	10.8
Accommodation, Food & Beverage Services	2.0	-0.3	5.7	4.4	-1.8
Amusement & Recreation	17.4	3.7	2.4	7.0	8.7
Personal & Household Services	12.1	-5.4	3.3	3.9	0.0
Other Services	12.7	-4.5	4.1	3.4	2.2
Public Administration	0.9	-3.3	-10.1	-1.0	-1.1
Federal	1.5	-9.1	-7.5	1.8	-2.7
Provincial	-10.8	9.6	-16.5	-3.9	-15.1
Local	9.0	-6.6	-6.2	-3.8	11.8
Total Employment	**1.8**	**1.4**	**1.4**	**1.5**	**1.9**

Source: Statistics Canada.

Table 33 Ontario, Employment by Labour Force Regions, 1987-1998

		1987	1988	1989	1990	1991	1992
		(thousands)					
Ontario		**4,951**	**5,136**	**5,241**	**5,226**	**5,044**	**5,001**
Region:	**East**	**664**	**698**	**694**	**698**	**693**	**691**
	Ottawa (510)	487	518	514	521	517	514
	Kingston-Pembroke (515)	177	179	180	177	177	177
	Greater Toronto Area[1] (530)	**2,171**	**2,219**	**2,273**	**2,254**	**2,136**	**2,118**
	Central	**1,113**	**1,172**	**1,197**	**1,211**	**1,172**	**1,164**
	Muskoka-Kawarthas (520)	138	142	139	140	137	143
	Kitchener-Waterloo-Barrie (540)	406	436	456	453	451	455
	Hamilton-Niagara Peninsula (550)	570	594	602	618	584	567
	Southwest	**655**	**687**	**708**	**689**	**686**	**685**
	London (560)	262	270	281	281	283	280
	Windsor-Sarnia (570)	268	281	284	270	265	268
	Stratford-Bruce Peninsula (580)	125	136	143	138	138	137
	North	**348**	**361**	**367**	**373**	**356**	**343**
	Northeast (590)	240	248	257	260	246	236
	Northwest (595)	108	114	111	112	110	107

Table 33 (continued)

		1993	1994	1995	1996	1997	1998*
		(thousands)					
Ontario		**5,089**	**5,160**	**5,231**	**5,311**	**5,413**	**5,585**
Region:	**East**	**701**	**724**	**697**	**708**	**718**	**761**
	Ottawa (510)	516	538	519	533	540	571
	Kingston-Pembroke (515)	185	186	179	175	178	190
	Greater Toronto Area[1] (530)	**2,153**	**2,145**	**2,227**	**2,257**	**2,346**	**2,421**
	Central	**1,171**	**1,210**	**1,228**	**1,251**	**1,265**	**1,305**
	Muskoka-Kawarthas (520)	142	144	156	158	159	158
	Kitchener-Waterloo-Barrie (540)	466	482	480	493	508	524
	Hamilton-Niagara Peninsula (550)	563	584	592	601	597	623
	Southwest	**708**	**724**	**702**	**721**	**724**	**731**
	London (560)	293	298	294	290	293	296
	Windsor-Sarnia (570)	273	278	273	282	279	286
	Stratford-Bruce Peninsula (580)	142	149	135	149	152	148
	North	**356**	**357**	**376**	**374**	**362**	**366**
	Northeast (590)	247	245	257	258	251	256
	Northwest (595)	109	112	119	116	110	110

* Average based on first nine months only, calculated by Ontario Ministry of Finance.
Numbers may not add to totals due to rounding. Standard deviations vary significantly across regions, decreasing as the size of the region increases.

Note: 1. Labour Force Survey region of Toronto (530) closely matches the GTA, except that it excludes the city of Burlington.

Sources: Statistics Canada and Ontario Ministry of Finance.

Table 34 **Ontario, Employment by Industry for Labour Force Regions, 1997**

		All Industries (thousands)	Agriculture	Resources[1]	Manu-facturing
Ontario		**5,413**	**111**	**39**	**1,010**
Region:	**East**	**718**	**19**	**3**	**79**
	Ottawa (510)	540	13	..	57
	Kingston-Pembroke (515)	178	7	2	22
	Greater Toronto Area (530)	**2,346**	**8**	**3**	**451**
	Central	**1,265**	**37**	**4**	**282**
	Muskoka-Kawarthas (520)	159	4	..	29
	Kitchener-Waterloo-Barrie (540)	508	16	..	123
	Hamilton-Niagara Peninsula (550)	597	17	2	130
	Southwest	**724**	**43**	**3**	**152**
	London (560)	293	14	..	53
	Windsor-Sarnia (570)	279	10	..	71
	Stratford-Bruce Peninsula (580)	152	18	..	28
	North	**362**	**4**	**27**	**46**
	Northeast (590)	251	2	21	31
	Northwest (595)	110	..	6	16

Table 34 (continued)

		Construction (thousands)	TCU[2]	Trade[3]	FIRE[4]
Ontario		**294**	**384**	**927**	**349**
Region:	**East**	**32**	**48**	**109**	**34**
	Ottawa (510)	23	36	78	24
	Kingston-Pembroke (515)	10	12	31	10
	Greater Toronto Area (530)	**121**	**181**	**402**	**203**
	Central	**77**	**75**	**230**	**63**
	Muskoka-Kawarthas (520)	12	11	31	6
	Kitchener-Waterloo-Barrie (540)	30	31	90	26
	Hamilton-Niagara Peninsula (550)	34	33	109	31
	Southwest	**46**	**51**	**119**	**32**
	London (560)	16	18	51	17
	Windsor-Sarnia (570)	19	19	44	9
	Stratford-Bruce Peninsula (580)	12	15	25	6
	North	**18**	**28**	**66**	**16**
	Northeast (590)	12	19	47	12
	Northwest (595)	6	9	20	4

Table 34 (continued) **Ontario, Employment by Industry for Labour Force Regions, 1997**

		Health, Education & Welfare (thousands)	Business Services	Personal Services[5]
Ontario		**828**	**443**	**556**
Region:	**East**	**126**	**63**	**76**
	Ottawa (510)	91	54	56
	Kingston-Pembroke (515)	35	9	20
	Greater Toronto Area (530)	**317**	**260**	**227**
	Central	**198**	**69**	**136**
	Muskoka-Kawarthas (520)	27	7	18
	Kitchener-Waterloo-Barrie (540)	75	28	51
	Hamilton-Niagara Peninsula (550)	96	35	67
	Southwest	**121**	**35**	**76**
	London (560)	58	19	30
	Windsor-Sarnia (570)	41	13	33
	Stratford-Bruce Peninsula (580)	22	4	14
	North	**67**	**15**	**41**
	Northeast (590)	46	11	28
	Northwest (595)	20	5	13

Table 34 (continued)

		Other Services[6] (thousands)	Public Administration
Ontario		**186**	**287**
Region:	**East**	**29**	**99**
	Ottawa (510)	21	85
	Kingston-Pembroke (515)	7	14
	Greater Toronto Area (530)	**81**	**90**
	Central	**42**	**51**
	Muskoka-Kawarthas (520)	6	7
	Kitchener-Waterloo-Barrie (540)	17	20
	Hamilton-Niagara Peninsula (550)	20	24
	Southwest	**23**	**23**
	London (560)	9	9
	Windsor-Sarnia (570)	10	9
	Stratford-Bruce Peninsula (580)	4	5
	North	**10**	**23**
	Northeast (590)	7	16
	Northwest (595)	3	7

.. Employment numbers under 1,500 are suppressed because of statistical reliability.
Numbers may not add to totals due to rounding. See standard deviation and GTA note for Table 33.

Notes:
1. Includes Fishing, Trapping, Logging, Forestry and Mining.
2. Includes the sum of Transportation, Storage, Communication and Other Utilities.
3. Includes Wholesale and Retail Trade.
4. Includes Finance, Insurance and Real Estate.
5. Includes Personal, Accommodation & Food, and Amusement & Recreational Services.
6. Includes Miscellaneous Services and Religious Organizations.

Sources: Statistics Canada and Ontario Ministry of Finance.

Economic Regions by Census Division

East
Stormont, Dundas and Glengarry United Counties
Prescott and Russell United Counties
Ottawa-Carleton Regional Municipality
Leeds and Grenville United Counties
Lanark County
Frontenac
Lennox and Addington County
Hastings County*
County of Prince Edward
Renfrew County

Central
Northumberland County*
Peterborough County
Victoria County
Dufferin County
Wellington County
Hamilton-Wentworth Regional Municipality
Niagara Regional Municipality
Haldimand-Norfolk Regional Municipality
Brant County
Waterloo Regional Municipality
Simcoe County
Muskoka District Municipality
Haliburton County

North
Nipissing District
Parry Sound District
Manitoulin District
Sudbury District
Sudbury Regional Municipality
Timiskaming District
Cochrane District
Algoma District
Thunder Bay District
Rainy River District
Kenora District

Greater Toronto Area (GTA)
Durham Regional Municipality
York Regional Municipality
Peel Regional Municipality
Halton Regional Municipality
City of Toronto

Southwest
Perth County
Oxford County
Elgin County
Municipality of Chatham-Kent
Essex County
Lambton County
Middlesex County
Huron County
Bruce County
Grey County

* Murray Township (formerly part of Northumberland) has amalgamated with the City of Trenton, the Village of Frankford and the Township of Sidney in Hastings, and is now part of Hastings County instead of Northumberland County.

Ontario Labour Force Survey Regions[1]

East	
Ottawa (510)	The united counties of Stormont, Dundas and Glengarry, Prescott and Russell, Leeds and Grenville, the county of Lanark and the Ottawa-Carleton Regional Municipality
Kingston-Pembroke (515)	The counties of Lennox and Addington, Hastings, Renfrew, and the former counties of Frontenac and Prince Edward
Central	
Muskoka-Kawarthas (520)	The counties of Northumberland, Peterborough, Victoria, Haliburton, and the Muskoka District Municipality
Kitchener-Waterloo-Barrie (540)	The counties of Dufferin, Wellington, and Simcoe and the Waterloo Regional Municipality
Hamilton-Niagara Peninsula (550)	The county of Brant, the Regional Municipalities of Hamilton-Wentworth, Niagara, Haldimand-Norfolk and the city of Burlington in the Halton Regional Municipality
Greater Toronto Area [2]	
Toronto (530)	The City of Toronto (formerly the Municipality of Metropolitan Toronto), the Regional Municipalities of Durham, York, Peel and Halton (excluding the city of Burlington)
Southwest	
London (560)	The counties of Oxford, Elgin and Middlesex
Windsor-Sarnia (570)	The counties of Lambton and Essex and the former County of Kent
Stratford-Bruce Peninsula (580)	The counties of Perth, Huron, Bruce and Grey
North	
Northeast (590)	The districts of Nipissing, Parry Sound, Manitoulin, Sudbury, Timiskaming, Cochrane, Algoma, and the Sudbury Regional Municipality
Northwest (595)	The districts of Thunder Bay, Rainy River and Kenora

1. As defined by Statistics Canada.
2. Labour Force Survey Region 530 closely matches the GTA, except that it excludes the city of Burlington.

1999

Ontario

Ontario Economic Outlook and Fiscal Review

The Honourable Ernie Eves, Q.C.
Minister of Finance

1999

Ontario

Ontario Economic Outlook and Fiscal Review

The Honourable Ernie Eves, Q.C.
Minister of Finance

General enquiries regarding the *1999 Ontario Economic Outlook and Fiscal Review* should be directed to:

Ministry of Finance
95 Grosvenor Street, Queen's Park
Frost Building North, 3rd Floor
Toronto, Ontario M7A 1Z1
Telephone (416) 325-0333

Copies are available free from:
Publications Ontario Bookstore
880 Bay Street, Toronto M7A 1N8
Telephone (416) 326-5300

Out-of-town customers call:	1-800-668-9938
TTY Toll-Free	1-800-268-7095

or call:
Ministry of Finance

(English & French enquiries)	1-800-263-7965
Teletypewriter (TTY)	1-800-263-7776

For electronic copies of this document, visit our WEB site at
http://www.gov.on.ca/FIN/hmpage.html

ISSN 1483-5967

Le document *Perspectives économiques et revue financière de l'Ontario de 1999* est disponible en français.

Table of Contents

Introduction

Since June 1995, the Government has taken actions to put Ontario on a sound financial and economic footing. The Government has:

- implemented or announced 99 tax cuts;
- surpassed its deficit-reduction targets;
- helped to ensure that Ontario is prepared for the next century by investing in education, skills development, R&D and infrastructure;
- removed barriers to economic growth by "getting out of the way" of business; and
- made government more efficient and accountable by streamlining the public sector and providing more efficient and accountable service.

The results of these actions speak for themselves. This is the province's third straight year of strong economic growth. Tax cuts have helped fuel the creation of 615,000 net new jobs since September 1995. Nearly all of these jobs were created by the private sector. The Province is on track to balance the budget in 2000-01, as promised.

Despite the results so far, the Government's job is not done. Ontario must continue to ensure that our economic and fiscal policies support high levels of business and consumer confidence in our economy. The Government will continue to focus on actions that position Ontario to grow and create jobs.

The first section of this document outlines the economic and fiscal actions taken by the Government to put Ontario back on the right track. The second section focuses on the results the Province has achieved so far. Section three presents the Ontario economic outlook, which continues to be strong. The last section provides an update on Ontario's fiscal outlook for 1999-00. A statistical appendix is also included.

A. Actions

This section highlights key economic and fiscal actions taken by the Government since June 1995 to encourage job creation and economic growth.

- Cutting Taxes
- Boosting Education and Skills
- Spurring Innovation and R&D
- Investing More in Infrastructure
- Removing Barriers to Growth
- Making Government More Efficient and Accountable
- Balancing the Budget

Action: Cutting Taxes

"When a government cuts taxes, it allows people to keep more of their money. That's a simple, clear incentive for hard work, expansion and growth."

Blueprint – Mike Harris' Plan to Keep Ontario on the Right Track, 1999

In addition to the 69 tax cuts implemented in previous Budgets, the 1999 Budget announced 30 more tax cuts:

- A further 20 per cent cut to personal income tax rates
- A 20 per cent reduction to residential education tax rates
- Enhanced Ontario Tax Reduction
- Research Employee Stock Option Credit
- Extension of Land Transfer Tax Refund for first-time new home-buyers
- Increased Land Transfer Tax refund
- Permanent Retail Sales Tax rebate on building materials for farmers
- Expansion of Retail Sales Tax relief for farmers
- Temporary RST rebate for building materials for heritage properties
- Five cuts through enhancements to Capital Tax exemption for small businesses
- Elimination of Capital Tax for credit unions and caisses populaires
- Enhanced Film and Television Tax Credit
- Elimination of remaining Corporate Income Tax add-back for acquisition of foreign technology
- Expansion of Innovation Tax Credit to public and other private firms
- Expansion of Innovation Tax Credit to medium-sized firms
- Expansion of Computer Animation and Special Effects Tax Credit
- Expansion of Interactive Digital Media Tax Credit
- Enhanced tax credit for hiring leading-edge technology apprentices
- School Bus Safety Incentive
- Four cuts to extend the Manufacturing and Processing Credit to electricity generating sector
- Reduction of Gross Receipts Tax rate
- Accelerated depreciation for Y2K-compliant small business computer hardware/software
- Capital Tax exemption for central credit unions and family farm/fishing corporations

Action: Boosting Education and Skills

"Without continued economic growth and private-sector partnerships...we would be unable to equip the workers of today and tomorrow with the necessary skills to succeed in an ever-changing job market."

Ontario Budget, 1999

The Government is making major investments in learning and skills development:

Elementary/Secondary Education

- Introduced student-focused funding and capped average class sizes
- Introduced a new, rigorous curriculum with more science, math and career education
- Introduced a Charter of Education Rights and Responsibilities
- Requiring regular teacher testing to ensure up-to-date skills
- Enabled $1.9 billion in school construction
- Provided funding to promote business/education connections
- Doubled funding for the Ontario Youth Apprenticeship Program
- Provided funding for new technologies to enhance learning and distance education

Post-Secondary Education

- Provided $742 million in 1999-00 for capital investments in colleges and universities through the SuperBuild Growth Fund
- Doubled student spaces in computer science and high-demand engineering in colleges and universities through the Access to Opportunities Program
- Announced Aiming for the Top tuition scholarships for top students in financial need
- Provided more scholarships for graduate studies in science and technology
- Expanded access for students with learning disabilities
- Enhanced student assistance; harmonizing with federal program
- Linking college funding to performance

Workplace Training

- Funded strategic skills partnerships with business and educators through $130 million Strategic Skills Investment initiative
- Provided tax credits for co-op and leading-edge technology work placements
- Reformed, modernized and expanded the apprenticeship system

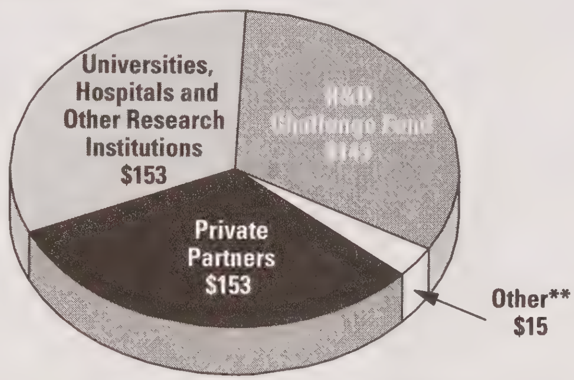
Action: Spurring Innovation and R&D

"[Innovation]...means developing new ideas and seizing opportunities to ensure that Ontario remains competitive."

Ontario Budget, 1999

Funding Sources for the Ontario R&D Challenge Fund*

(Millions of Dollars)



Total R&D Investment to Date: $470 Million

* Final figures may change since some contracts are still being negotiated.
** Includes Canada Foundation for Innovation.
Source: Ontario R&D Challenge Fund Secretariat.

- The $500 million Ontario R&D Challenge Fund announced in the 1997 Budget has so far led to 48 partnerships between the private sector and research institutions. These partnerships have committed a total of $470 million to R&D projects, including $153 million from the private sector.

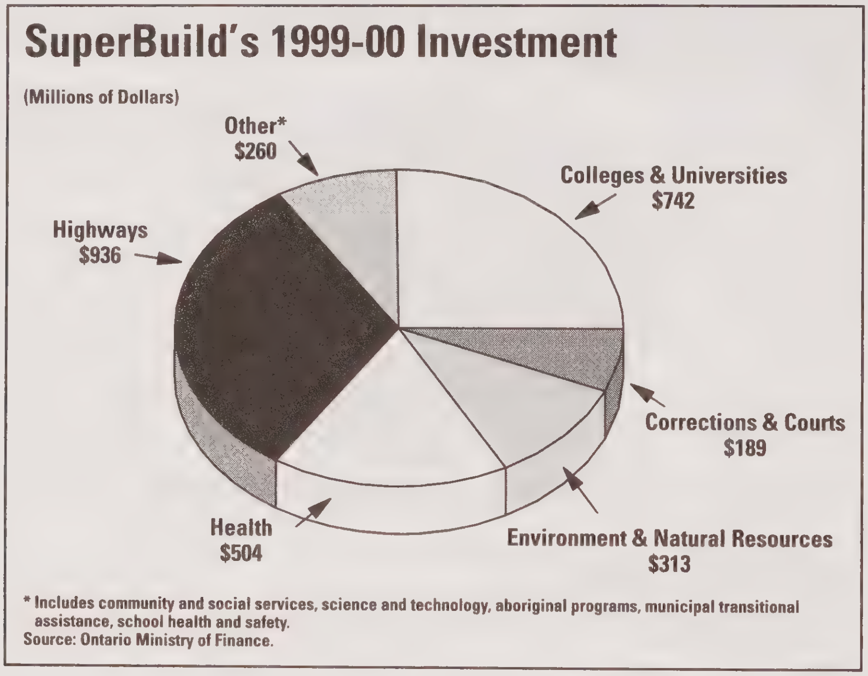
- The $250 million Ontario Innovation Trust was established in 1999 to provide funding to Ontario universities, hospitals and colleges for labs, high-tech equipment and other research infrastructure. So far, the Trust has approved $35 million in matching funding for 32 projects at Ontario institutions.

- Since 1995, Ontario has introduced several tax incentives to foster R&D and innovation in the province. These new tax measures provide more than $100 million annually in additional tax support for innovative activities.

Action: Investing More in Infrastructure

The SuperBuild Growth Fund "will be the biggest, most effective building program in Ontario history, providing a minimum of $20 billion in new and improved infrastructure for Ontario's future."

Blueprint – Mike Harris' Plan to Keep Ontario on the Right Track, 1999



- The Government plans to invest $2.9 billion in SuperBuild's first year—a 51 per cent increase in investment over last year. About three-quarters of this year's funding will focus on highways, colleges, universities and health care. The SuperBuild Growth Fund will invest approximately $936 million in provincial highways alone.

- SuperBuild investments totalling $742 million will expand, modernize and renew college and university infrastructure. Of this amount, $660 million is for new capital projects. Institutions have already submitted project proposals with partner funding.

- A new $20 million Biotechnology Commercialization Centre Fund will help establish regional commercialization centres to support start-up firms in this fast-growing sector.

- The SuperBuild Growth Fund will provide $313 million in 1999-00 for a variety of environmental and natural resource projects, including municipal water and sewer transition assistance, the creation of new parks, abandoned mine site rehabilitation, expanded fire fighting capacity in the North, rehabilitation of dams and improvements to fish hatcheries.

Action: Removing Barriers to Growth

"Businesses naturally strive to grow and people naturally want to succeed. Sometimes the most important thing a government can do is simply get out of the way of the energy and initiative of the private sector."

Blueprint – Mike Harris' Plan to Keep Ontario on the Right Track, 1999

Cutting Red Tape

- Red tape watchdog set up in 1995 and will be made permanent
- Over 1,300 unnecessary provincial regulations eliminated to date
- All proposed new regulations must meet a business impact test
- New short-form corporate tax return for small businesses

Promoting Competition and Growth

- Introduced competition into Ontario's electric power sector
- Ended corporate welfare by eliminating 31 programs and $230 million per year in subsidies to individual businesses
- Helped entrepreneurs and small businesses through Community Small Business Investment Funds, Enterprise Centres, Self-Help Offices and Ontario Exports Inc.
- New Ontario Securities Commission rules to make small business financing easier
- Business Tax Review Panel to review Ontario personal, corporate and property tax systems
- Ontario Business Connects—a "one-window" electronic service—speeds 120,000 new businesses annually through start-up regulatory requirements and ongoing reporting and remittances

Fairness in Labour Relations

- Scrapped unfair job quotas
- Gave workers the right to a secret ballot vote on union certification
- Reformed Workers' Compensation to put it on a sound financial footing; assessment rates are now at their lowest level since 1985
- Froze the minimum wage
- Passed the *Fairness Is A Two-Way Street Act*; the Government of Quebec has now agreed to treat Ontario construction workers and contractors fairly and Ontario is closely monitoring their compliance

Action: Making Government More Efficient and Accountable

"We will cut the size of government. We will provide the people of Ontario with better for less."

Common Sense Revolution, 1995

Streamlining the Public Sector

- Reduced the number of provincial politicians by 21 per cent, from 130 to 103
- Reducing the number of local politicians by 28 per cent
- Reduced the size of the Ontario Public Service by approximately 25 per cent
- Cut the cost of government administration by 35 per cent, saving $300 million annually

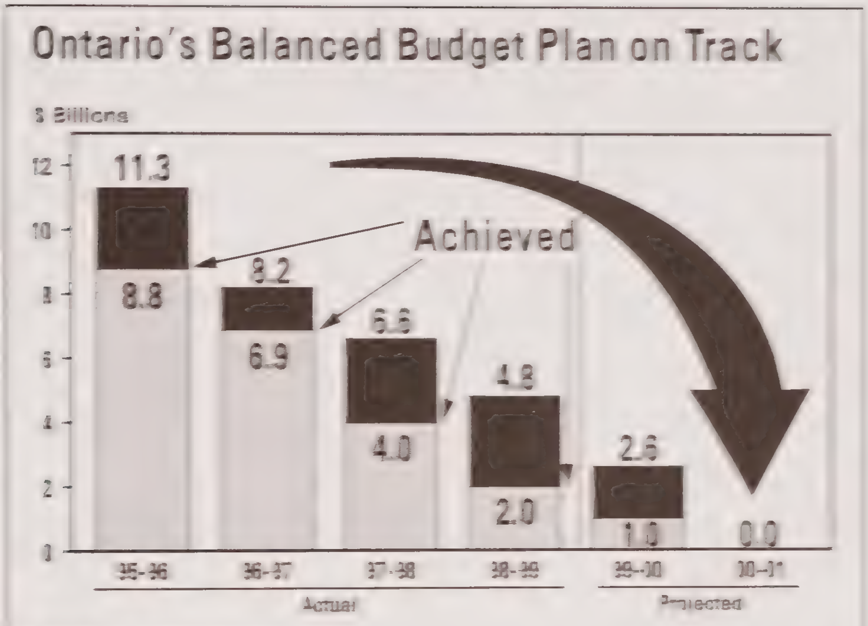
Providing More Efficient and Accountable Service

- Using technology—the Internet and computer kiosks—to provide faster, more convenient, 24-hour access to government information
- Launched a *Quality Service Strategy* with new high standards of customer service in handling telephone, mail, walk-in inquiries and customer feedback
- Encouraging Alternative Service Delivery approaches enables ministries to focus on core businesses while outsourcing, partnering or privatizing other functions
- Identified savings of more than $300 million in 2000-01
- Reporting salaries of public officials making $100,000 or more annually
- Requiring ministries to publish annual business plans with performance measures
- Ontario Financial Review Commission to be reconvened

Action: Balancing the Budget

"A realistic plan to reduce the deficit and balance the budget is an important element in creating jobs for Ontarians."

Ontario Fiscal and Economic Statement 1995



Source: Ontario Ministry of Finance.

- In the November 1995 Fiscal and Economic Statement, the Government introduced its Balanced Budget Plan which set out declining annual deficit targets for the Province, culminating in a balanced budget in 2000-01.

- In each of the past four years, the Government has achieved a lower deficit than set out in the Balanced Budget Plan.

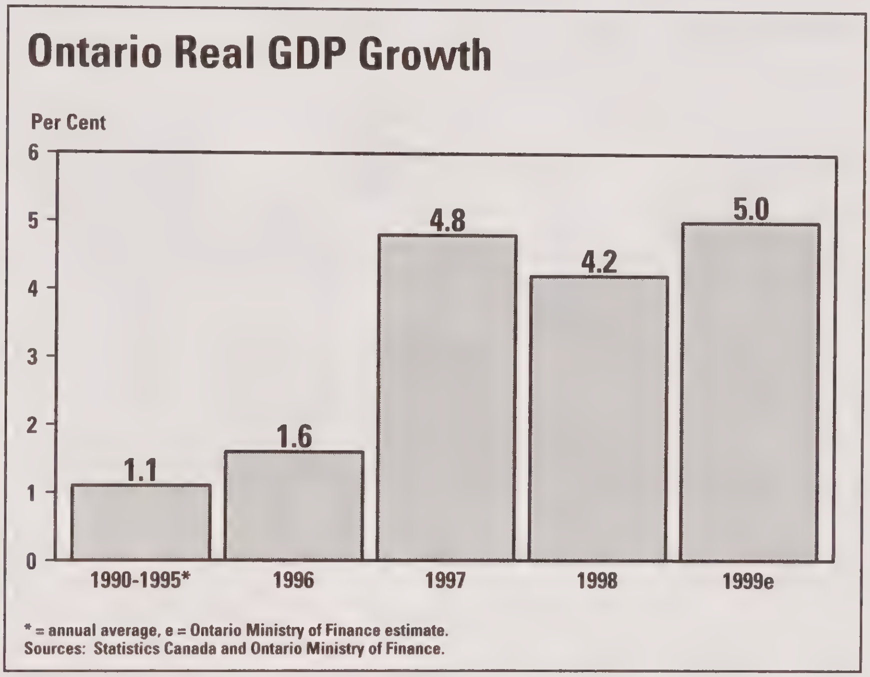
B. Results

This section focuses on the results that Ontarians are seeing so far. The actions taken by the Government have laid the foundation for sustained economic growth.

- Third Straight Year of Strong Economic Growth
- Robust Job Creation
- Sustained Job Growth for Youth
- Job Growth in All Regions
- Ontario a North American Leader in Manufacturing Job Growth
- Expansion in Information Technology Industries
- New Jobs and Tax Cuts Buoy Consumer Spending
- Exports Climbing
- Export Share Increasing in U.S. Market
- On Track to Balance the Budget in 2000-01
- Continuing Success in Reducing Welfare Dependence

Result: Third Straight Year of Strong Economic Growth

The Ontario economy is strong once again. Sound economic and fiscal policies have resulted in Ontario recording its third consecutive year of robust economic growth.



- Ontario real GDP is expected to rise 5.0 per cent in 1999, following a 4.2 per cent gain in 1998 and a 4.8 per cent jump in 1997. Ontario is the national growth leader in 1999; at 5.0 per cent, real GDP growth is much stronger than the 2.9 per cent growth estimate for the rest of Canada.

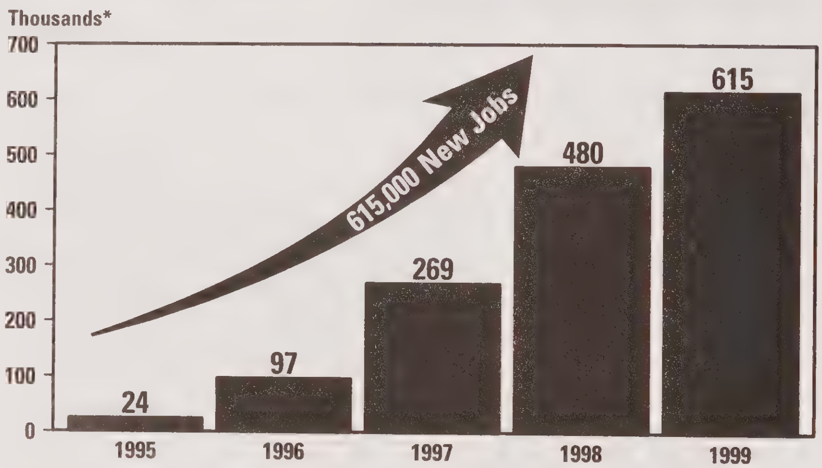
- In 1999, real output rose by 5.2 per cent at annual rates in the first quarter and 5.0 per cent in the second. Surging domestic demand, up 5.4 per cent and 9.8 per cent at annual rates in the first and second quarters respectively, largely accounted for this growth, with robust consumer spending and residential construction activity in both quarters.

- Total Ontario after-tax income is rising sharply, a result of reduced taxes and dynamic economic growth. Disposable income jumped 5.0 per cent at annual rates in the first half of 1999, following gains of 3.8 per cent in 1998 and 4.0 per cent in 1997. Rising take-home pay is financing increased consumer spending on homes, cars and other goods and services.

Result: Robust Job Creation

Ontario's job creation continued at a near-record pace in 1999, stimulated by tax cuts, strong consumer spending and low interest rates.

Cumulative Job Creation Since September 1995



* Cumulative change from September 1995 to year-end employment level and October for 1999.
Source: Statistics Canada.

- The Ontario economy has generated 615,000 net new jobs since September 1995. The private sector has added 612,000 net new jobs over this period, more than 50 per cent of all private-sector jobs created Canada-wide.

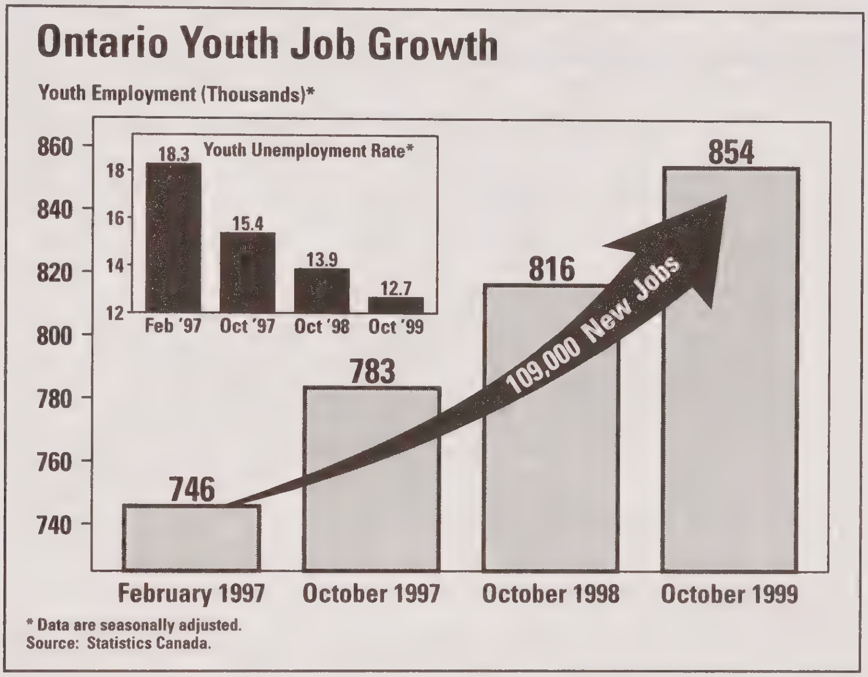
- 177,000 net new jobs have been created so far in 1999, compared to the same period in 1998.

- All of the jobs created in 1999 have been full-time jobs. Job creation has been broadly based with employment rising in most sectors of the economy. Manufacturing has added 55,000 net new jobs. Other leading sources of job growth include: retail and wholesale trade (+34,000); professional, scientific and technical services (+29,000); financial, insurance, real estate and leasing industries (+21,000); and construction (+20,000).

- The unemployment rate was 6.0 per cent in October 1999, down from 8.9 per cent when the Government took office, and well below the national unemployment rate of 7.2 per cent.

Result: Sustained Job Growth for Youth

Ontario's strong economic growth has resulted in a sustained job recovery for young people. Since February 1997, Ontario's youth have gained 109,000 net new jobs, half of all new jobs for youth in Canada.



- In 1999, youth have averaged 50,000 more jobs than in the previous year, the strongest and fastest job growth in 20 years.

- Ontario's youth unemployment rate has fallen to 12.7 per cent, compared to the 14.7 per cent average of all the other provinces. The youth unemployment rate to date this year is at its lowest level since 1990.

- In 1999-00, Ontario is spending $217 million on the most extensive youth employment programs in Canada.

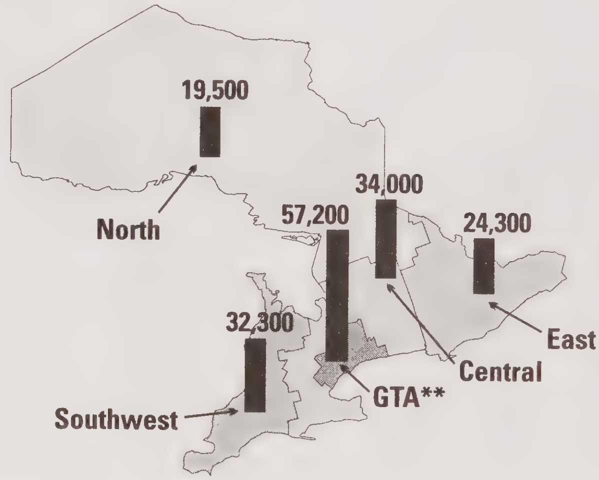
- These programs are helping 214,000 young people find productive jobs, more than double the number of youth served five years ago. It includes over 61,000 youth who received jobs and services through Ontario's summer employment programs, the most this decade.

Result: Job Growth in All Regions

Employment increased in all five of Ontario's regional economies during the past year—the Greater Toronto Area (GTA), Central Ontario, Eastern Ontario, Southwestern Ontario and Northern Ontario.

Regional Job Growth

(October 1999 vs. October 1998)*



* Seasonally adjusted by Ontario Ministry of Finance.
** Labour Force Survey Region 530.
Sources: Statistics Canada and Ontario Ministry of Finance.

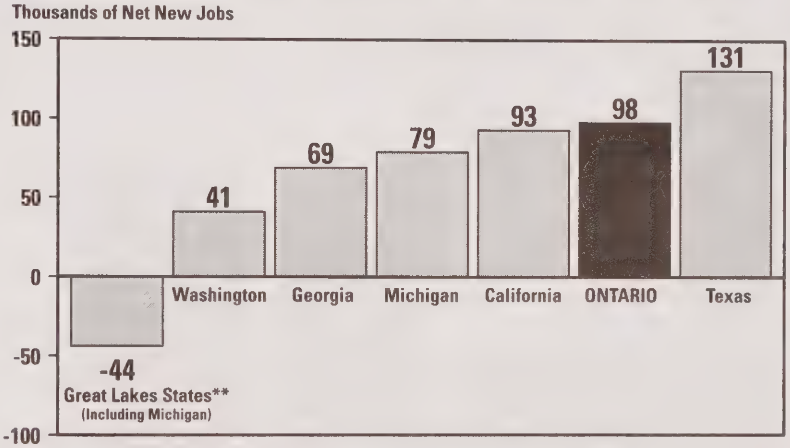
- The GTA is Ontario's largest regional economy. It accounts for about half of the province's output and over 40 per cent of its employment. Over the past year, the GTA's economy has created over 57,000 jobs.
- Central Ontario accounted for 20 per cent and the Southwest for 19 per cent of the province's new jobs in the past year.
- Over 24,000 jobs were created in the East and nearly 20,000 in the North.
- Among major urban areas in Canada, Kitchener-Waterloo's 5.3 per cent unemployment rate is the lowest. Oshawa's 5.9 per cent unemployment rate is the third lowest in Canada.

Result: Ontario a North American Leader in Manufacturing Job Growth

Ontario's manufacturing sector has created more jobs in the past three years than any other jurisdiction in Canada or the United States except for Texas.

Key Job Creator

Manufacturing, Ontario and the Five Leading U.S. States*



* Total jobs created between1995 and 1998.
** Michigan, Ohio, New York, Pennsylvania, Illinois, Indiana, Wisconsin, Minnesota.
Sources: U.S. Bureau of Labor Statistics—Household Survey (includes unpublished 1998 data) and Statistics Canada—Household Survey.

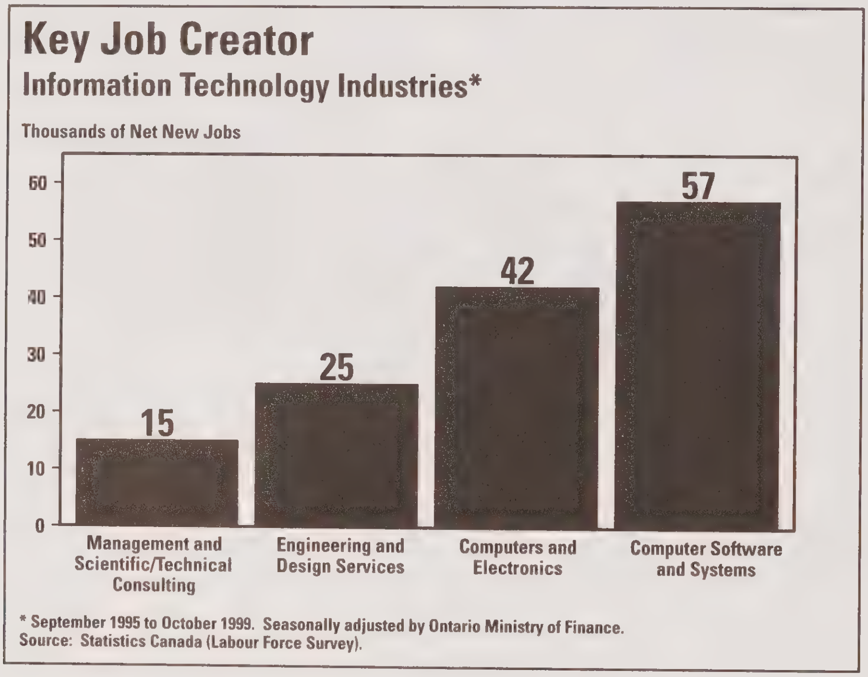
- Ontario is a critical part of the manufacturing heartland of North America. The province's manufacturing sector gained 98,000 jobs between 1995 and 1998, dramatically outperforming its Great Lakes competitors. The eight Great Lakes States as a group lost 44,000 manufacturing jobs in the same period.

- In 1998, Ontario recorded its seventh consecutive year of record production of motor vehicles and motor vehicle parts. The auto industry added over 15,000 net new jobs in the 1995-1998 period.

- Employment growth is also strong in other important manufacturing industries. Strong job gains have occurred in metal fabrication (+15,000), chemicals (+9,000), and rubber and plastics (+8,000).

Result: Expansion in Information Technology Industries

Industries such as computers and electronics, software and engineering are growing rapidly and are making a major contribution to job growth. Since September 1995, these information technology industries have generated 139,000 net new jobs, accounting for 23 per cent of total job growth.



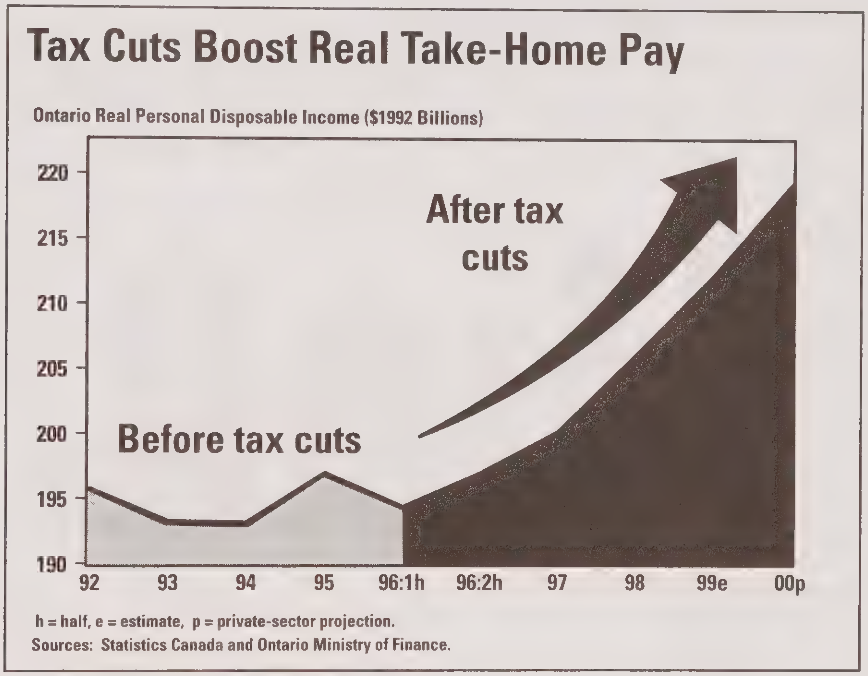
- A recent Deloitte & Touche study concluded that the Greater Toronto Area (GTA) has developed into one of North America's premiere centres for information technology. It is one of the top five R&D performing urban areas in North America.

- Ottawa has a higher share of scientists and engineers in its workforce than any other urban area in Canada.

- The Kitchener-Waterloo, Guelph and Cambridge area is home to over 150 computer software companies, including many spinoff companies from research at the University of Waterloo.

Result: New Jobs and Tax Cuts Buoy Consumer Spending

Ontario consumers, buoyed by tax cuts, strong job creation and rising income, are spending confidently again on homes, cars and other goods and services.



- Real consumption continued to grow solidly in the first half of 1999, after the decade-high growth of 4.7 per cent in 1998.

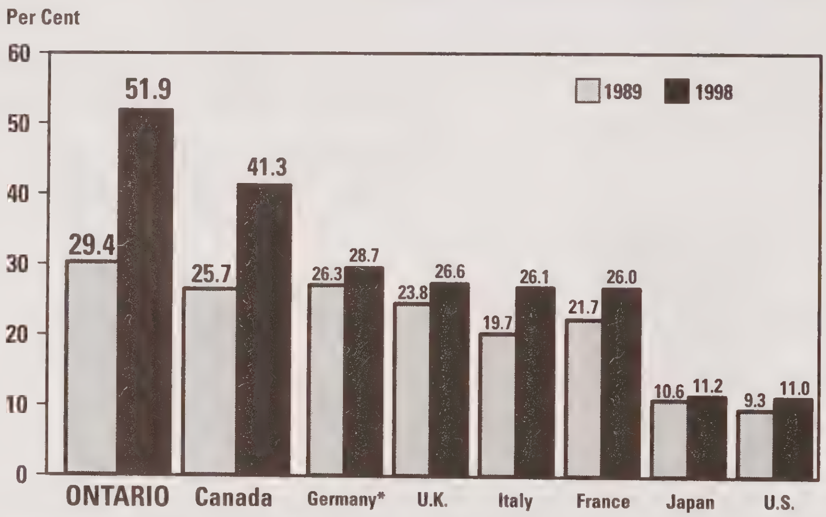
- Retail sales were up 7.3 per cent for the first nine months in 1999 from the same period a year earlier.

- Unit auto sales rose 11.0 per cent over the first nine months of 1999, following a gain of 3.8 per cent in 1998 on top of the 19.3 per cent increase in 1997.

- Department store sales were up 10.1 per cent over the first nine months of 1999 after rising 7.1 per cent last year.

Result: Exports Climbing

Ontario's export orientation has increased sharply in the 1990s. In 1998, international exports were equivalent to 51.9 per cent of GDP, up from 29.4 per cent in 1989. This share is larger than in any other province or any major industrial country.



*1991 and 1998.
Sources: OECD, Statistics Canada, U.S. Department of Commerce and Ontario Ministry of Finance.

- Reduced taxes, the elimination of unnecessary regulations and red tape, and the creation of a favourable investment climate have enhanced Ontario's competitiveness and contributed to export growth.

- Rising productivity has been a key factor supporting Ontario's competitiveness. Ontario unit labour costs have risen by only 2.5 per cent since 1995, compared to 5.1 per cent in the rest of Canada and 7.5 per cent in the United States over the same period. The value of the Canadian dollar in recent years has further reinforced Ontario industry strength in global markets.

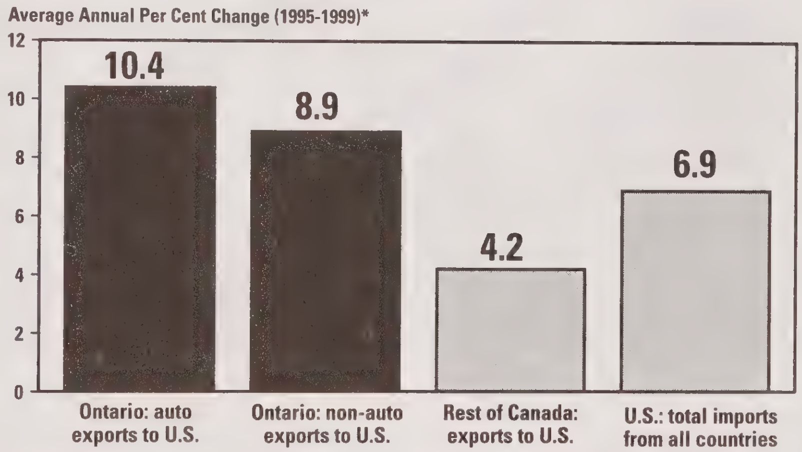
- Ontario merchandise exports have risen sharply over the last several years, 9.7 per cent in 1997 and 11.8 per cent in 1998. Merchandise exports have grown by 16.2 per cent over the first nine months of 1999.

- Automotive exports have risen 34.4 per cent so far this year, reflecting increased capacity and a rebound from reduced production stemming from collective bargaining disputes in the United States during the summer of 1998.

Result: Export Share Increasing in U.S. Market

Many Ontario industries are globally competitive. As a result, Ontario's exports to the United States are growing faster than U.S. imports from the rest of the world or from the rest of Canada.

Ontario Exports to the U.S. Growing Rapidly

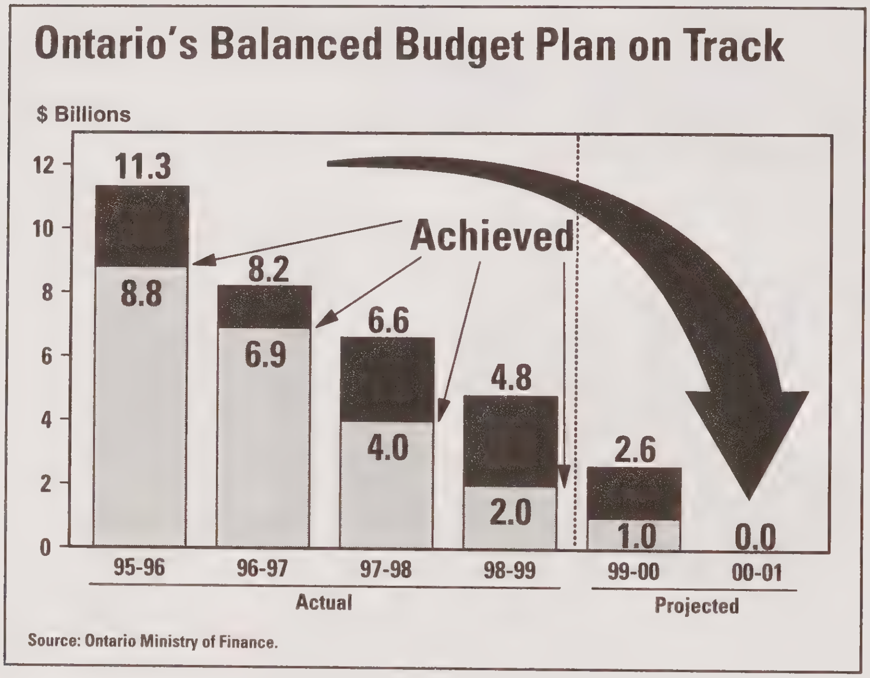


* Growth in U.S. merchandise imports from first half of 1995 to first half of 1999. All figures based on U.S.$.
Sources: U.S. Bureau of Economic Analysis, Statistics Canada and Ontario Minisry of Finance.

- Ontario exporters are competing successfully in the United States and picking up market share in many product and service markets.
- Ontario exports more motor vehicles to the United States than Europe and Japan combined. It is second only to Michigan in motor vehicle production in North America.
- Ontario's exports have also grown rapidly in information technology and capital goods industries such as communications equipment.
- Industries such as furniture, steel and plastics have increased their productivity and are exporting more to the United States.

Result: On Track to Balance the Budget in 2000-01

In each of the past four years, the Government has achieved a lower deficit than called for in the Balanced Budget Plan, and the Province is on track to overachieve its 1999-00 deficit target.

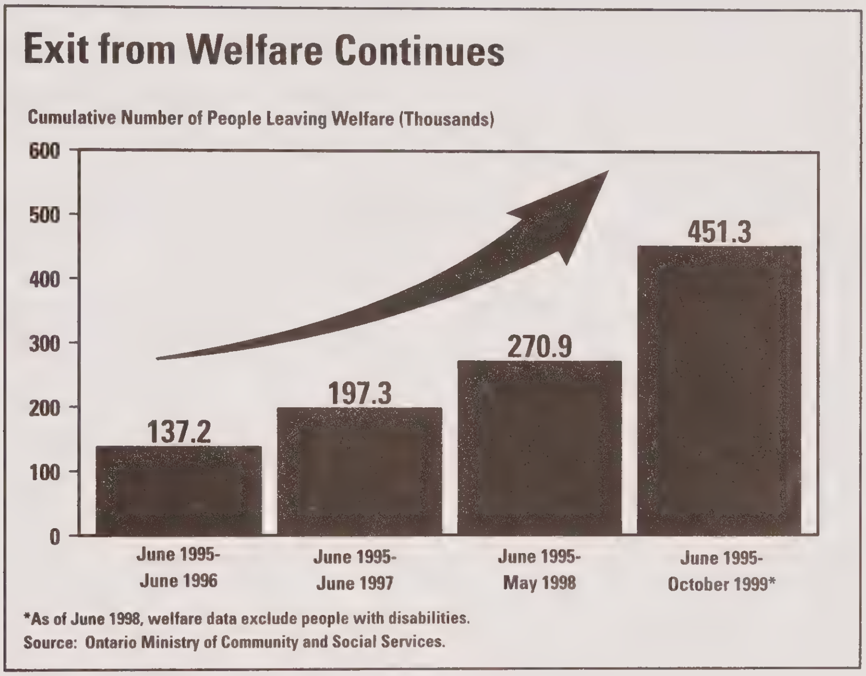


- As of September 30, the second-quarter outlook for the 1999-00 deficit is $1.0 billion, $1,050 million lower than the 1999 Budget forecast of $2.1 billion, and $1.6 billion below the original Balanced Budget Plan target of $2.6 billion.

- The Taxpayer Protection and Balanced Budget Act, 1999 approved by the Legislature in November will ensure future fiscal responsibility.

Result: Continuing Success in Reducing Welfare Dependence

The number of people relying on welfare has been declining for five consecutive years. Since June 1995, more than 451,000 men, women and children have escaped welfare dependence.



- Two independent studies showed that 60 per cent of adults leaving welfare did so for employment-related reasons. Others have changed their living arrangements, gone back to school or entered a training program. Since September 1995, Ontario has gained 615,000 net new jobs.

- Ontario's success in reducing welfare dependence since 1995 is in sharp contrast to the past. Ontario gained nearly a million net new jobs in the 1980s yet dependence continued to rise because of ever-rising government handouts.

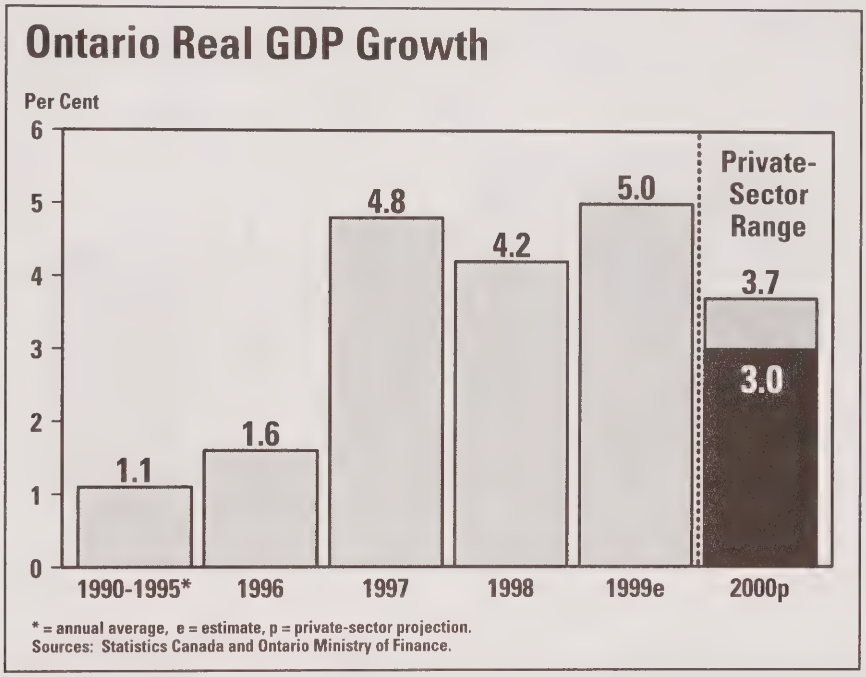
C. Economic Outlook

The outlook for the Ontario economy is bright. Tax cuts and sound policies have helped to create a climate of increasing optimism. Strong job creation, rising incomes and increased prosperity are expected for the first year of the new millennium. This section highlights Ontario's growth prospects.

- Continued Economic Growth
- Strong Outlook for Employment and Incomes
- Housing Outlook Strong
- Investment Accelerating
- Inflation Remains Low
- Interest Rates Remain Low
- Conclusion

Continued Economic Growth

The Ontario economy will continue to lead Canada in growth. Confidence in Ontario's outlook is widely shared. Recent private-sector forecasts for Ontario real growth in the year 2000 range from 3.0 to 3.7 per cent, averaging 3.4 per cent. All private-sector forecasters expect Ontario to grow more rapidly than the Canadian average next year.

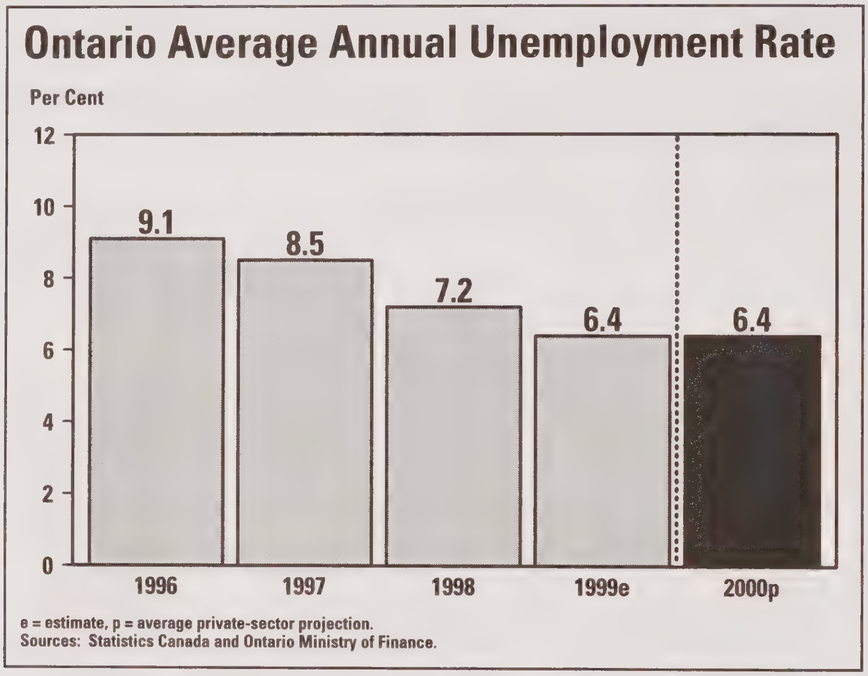


- Ontario's future economic growth and job creation are rooted securely in both healthy domestic demand and strong global competitiveness.

- The economic strength of Ontario and Canada is reflected in the recent appreciation of the Canadian dollar. The dollar is expected to continue to rise, based on strong export growth, low inflation, rising commodity prices and international confidence in the economy. Interest rates are expected to rise further. However, moderate increases will not prevent the economy from growing at a healthy pace in 2000.

Strong Outlook for Employment and Incomes

Strong job growth is expected to continue. The average private-sector projection for employment growth in 2000 is 2.0 per cent.



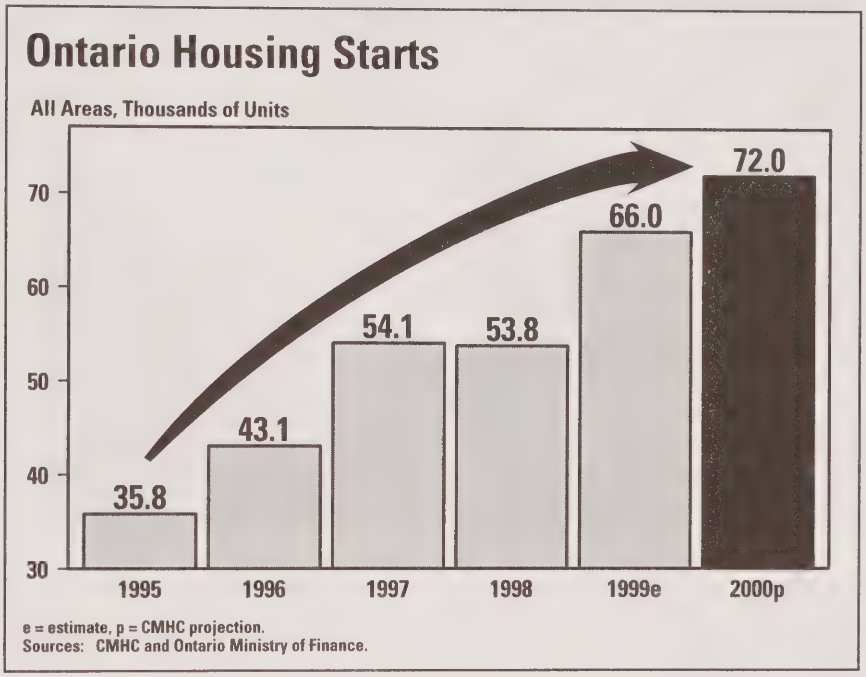
- Since September 1995, Ontario has led the nation in job creation. Nearly half of the nation's new jobs were created in Ontario, with over half a million new full-time positions.

- Robust job creation, tax cuts and welfare reform are encouraging Ontarians to enter the labour force. Private-sector economists, on average, expect strong labour force growth to match employment growth in 2000. This results in a consensus projection of 6.4 per cent for the average annual unemployment rate, down from 9.1 per cent in 1996.

- Economic growth is generating well-paid full-time employment. Wage gains combined with tax cuts will support continued growth of disposable incomes and consumer spending.

Housing Outlook Strong

Strong employment growth and rising income are expected to support continued increases in residential construction. This year, the number of housing units started is expected to be nearly double its 1995 level, rising to 66,000 units. The Canada Mortgage and Housing Corporation (CMHC) forecasts Ontario housing starts to increase to 72,000 units in 2000.



- While mortgage rates have edged up, they are still low by historical standards.

- Over the first half of the year, Ontario real residential construction rose 10.0 per cent compared to the same period last year.

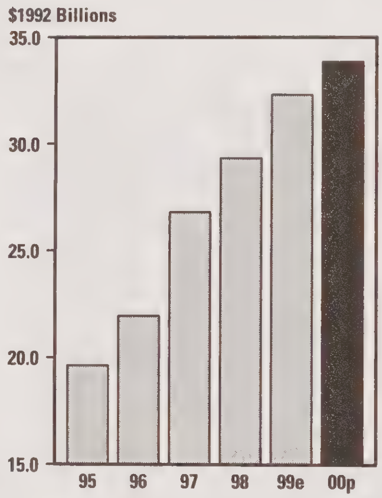
- So far in 1999, Ontario housing starts are up 24.3 per cent while resales of homes are up 8.4 per cent. Toronto-area new home sales are up 29.5 per cent.

- First-time buyers of newly constructed houses have been encouraged by Ontario's Land Transfer Tax rebate. Since this measure was introduced in 1996, it has helped over 53,000 Ontarians purchase their first homes.

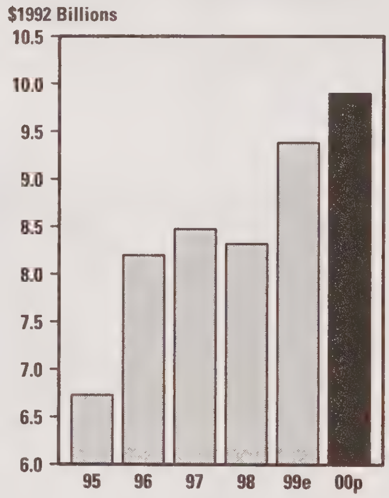
Investment Accelerating

Private-sector forecasters expect continued strong investment growth in 2000. Real machinery and equipment investment is projected to rise by 4.8 per cent to $33.9 billion; real non-residential construction will climb by 5.5 per cent to $9.9 billion.

Machinery and Equipment Investment



Commercial and Industrial Construction



e = estimate, p = private-sector projection.
Sources: Statistics Canada and Ontario Ministry of Finance.

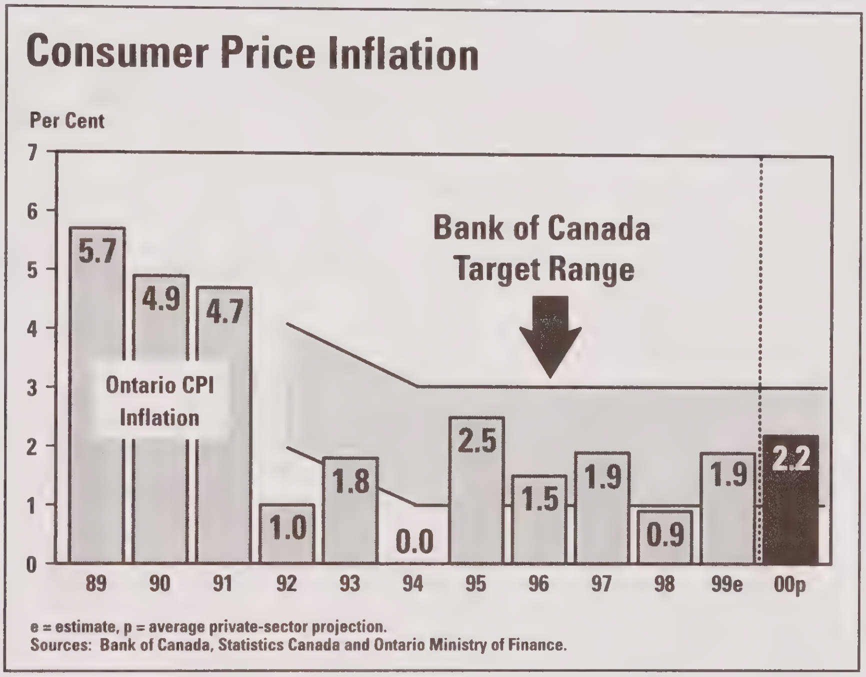
- The real value of Ontario business investment in machinery and equipment has risen by over 85 per cent between 1995 and 1999. Real investment in commercial and industrial construction rose by almost 40 per cent over the same period.

- The Toronto (GTA) office vacancy rate fell to 8.2 per cent in the third quarter of 1999, down from 8.6 per cent a year ago and nearly half of the September 1995 rate of 16.3 per cent.

- Machinery and equipment investment has increased 9.5 per cent so far this year as businesses strive to maintain their competitive edge by incorporating new technology into production and expanding capacity to meet increased demand.

Inflation Remains Low

CPI inflation is expected to remain near the mid-point of the Bank of Canada's target range of 1.0 to 3.0 per cent. Ontario's consumer price inflation rate is expected to average 1.9 per cent in 1999 and 2.2 per cent in 2000 according to recent private-sector forecasts.



- The recent rise in CPI inflation, which averaged 0.9 per cent in 1998, largely reflects the impact of a spike in oil prices. Excluding the increase in energy prices, the Ontario CPI inflation rate would have been 1.5 per cent instead of 2.3 per cent in October 1999.

- Statistics Canada reported in October that property tax cuts in Ontario, partly offset by increases in the other provinces, brought about the first decline in the index of Canadian property taxes since September 1974.

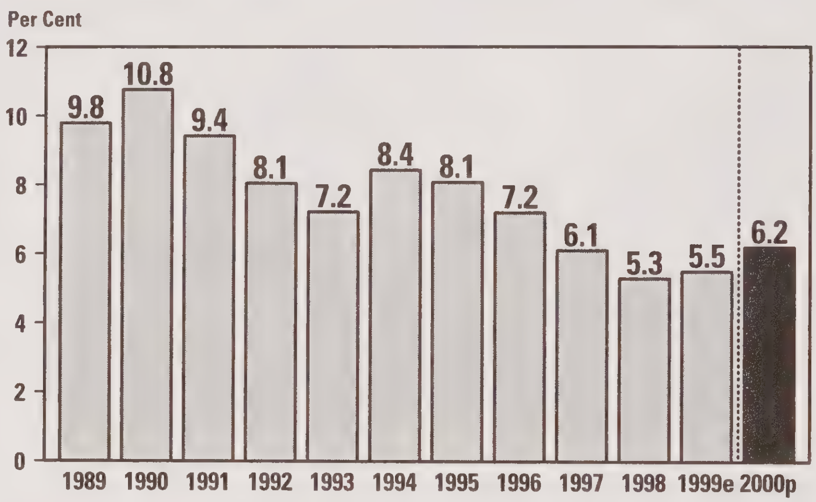
- The appreciating Canadian dollar and rising productivity are expected to more than offset upward pressure on inflation from strengthening commodity prices.

- Ontario wage settlements have remained moderate, averaging 1.7 per cent over the first three quarters of 1999.

Interest Rates Remain Low

Interest rates in Canada are projected to remain low by recent historical standards, reflecting low inflation and strong fiscal positions. In the United States, the Federal Reserve has raised interest rates by 75 basis points this year. The Bank of Canada raised its bank rate for the first time this year by 25 basis points in mid-November.

10-Year Government of Canada Bond Rate



e = estimate, p = average private-sector projection.
Sources: Bank of Canada and Ontario Ministry of Finance.

- The Federal Reserve and the Bank of Canada are expected to raise interest rates gradually over the next year to pre-empt a permanent rise in inflationary pressures.

Canadian Interest Rate Outlook
(Annual per cent)

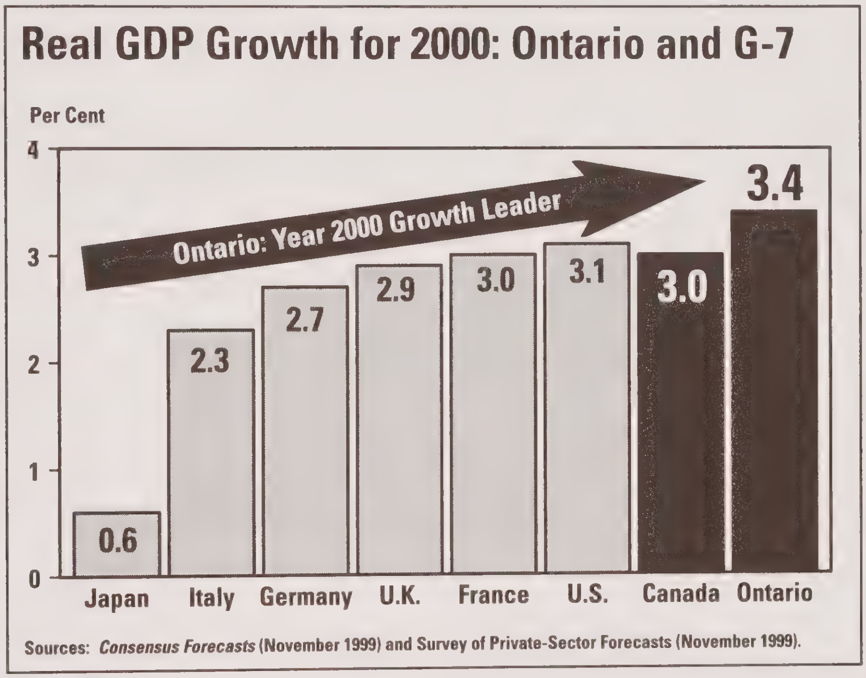
	1998	1999e	2000p
3-month treasury bill	4.7	4.8	5.3
10-year government bonds	5.3	5.5	6.2

e = estimate, p = average private-sector projection.
Sources: Bank of Canada and Ontario Ministry of Finance.

Conclusion

The outlook for the Ontario economy is bright. Job creation is continuing at a near-record pace. Consumers are seeing their take-home pay rise. Their investment and spending decisions are helping fuel continued strong economic growth. Businesses are earning record profits and reinvesting their earnings in new plants and more modern equipment.

Private-sector economists, on average, expect Ontario's economy to grow 5.0 per cent in 1999 and 3.4 per cent in 2000, faster than Canada as a whole or any of the G-7 major industrial countries.



D. Ontario's Fiscal Plan

This section will provide an update on the Province's 1999-00 fiscal outlook, based on results for the second quarter ending September 30; report on Ontario's recent fiscal performance; and review Ontario's financing and debt management.

Introduction

In June 1995, when the Government took office, the Province was spending in excess of $1 million more per hour than it was collecting in revenue. After recording deficits in excess of $10 billion in each of the preceding four years, the Province faced a potential deficit of $11.3 billion.

The Government moved quickly, with a clear program of controlling spending and cutting taxes to encourage economic growth. This plan has resulted in great progress being made in restoring the Province to a sound financial footing.

In each of the past four years, the Government has surpassed its deficit-reduction targets as set out in its Balanced Budget Plan. Improvements in the 1999-00 deficit outlook will make this the fifth consecutive year in which the deficit target is overachieved. The 1999-00 deficit is now forecast at $1.0 billion, $1.6 billion lower than the original Balanced Budget Plan target for 1999-00, and $1.1 billion below the deficit outlook of $2.1 billion announced in the May 1999 Budget.

Despite great progress, further work remains. Public Debt Interest is over 16 per cent of total spending in 1999-00. Interest costs are the single largest Provincial expenditure, exceeding transfers to hospitals or to school boards.

This section will:

- provide an update on the Province's 1999-00 fiscal outlook, based on results for the second quarter ending September 30;
- report on Ontario's recent fiscal performance; and
- review Ontario's financing and debt management.

1999-00 Fiscal Outlook: Second-Quarter Update

1999-00 Deficit Target Overachieved

For the fifth year in a row, Ontario will overachieve its deficit-reduction target. As of September 30, the 1999-00 deficit outlook is $1,026 million, $1,050 million lower than the 1999 Budget forecast of $2,076 million.

1999-00 Fiscal Performance
($ Millions)

	Budget Plan	Current Outlook*	In-Year Change
Revenue	58,150	59,090	940
Expenditure			
Programs	47,025	47,284	259
Restructuring and Other Charges	--	100	100
Total Program Expenditure	47,025	47,384	359
Capital	2,883	2,944	61
Public Debt Interest			
Provincial	9,298	9,268	(30)
Ontario Hydro Successor Companies**	520	520	--
Total Expenditure	59,726	60,116	390
Reserve	500	--	(500)
Deficit	**2,076**	**1,026**	**(1,050)**

* Second-quarter results as at September 30, 1999.

** Debt service costs in 1999-00 related to the Province's equity ownership of Ontario Hydro successor companies are offset by increased income from Government Enterprises revenue, which reflects the net income of these corporations.

Source: Ontario Ministry of Finance.

- The 1999 Budget Plan included a $500 million reserve to protect the fiscal plan against unexpected and adverse changes in the economic and fiscal outlook. With in-year improvements in the revenue outlook and Ontario's strong economic performance for 1999-00, the reserve will not be needed, and has been applied to deficit reduction.

In-Year Revenue Changes

Total revenue in 1999-00 is forecast at $59,090 million, $939 million above the First Quarter Ontario Finances outlook, and up $940 million from the 1999 Budget projection.

1999-00 Revenue Changes Since Budget
($ Millions)

Changes This Quarter:		
Taxation		
Personal Income Tax	405	
Retail Sales Tax	350	
Land Transfer Tax	60	
Total Taxation		815
Government of Canada		122
Other Revenue		2
Total Revenue Changes Since First Quarter		**939**
Net Changes Reported in First Quarter Ontario Finances		**1**
Total In-Year Revenue Changes		**940**

Source: Ontario Ministry of Finance.

- Personal Income Tax (PIT) revenue is $405 million higher, based on preliminary information on the processing of 1998 Ontario PIT returns.

- The outlook for Retail Sales Tax revenue is $350 million higher as a result of the strength of business and consumer spending in Ontario in 1999.

- Land Transfer Tax revenue is $60 million above the 1999 Budget forecast due to the strength of the housing market in Ontario.

- Federal transfers are $122 million above Budget, mainly due to new transfers of $107 million from the Canada Millennium Scholarship Foundation and $47 million for the training of Employment Insurance clients. Revenue from the Softwood Lumber Agreement also increased $2 million. These increases are partially offset by a $34 million decrease in Canada Health and Social Transfer (CHST) payments, caused by the effect of increased Ontario income tax revenues in the CHST allocation formula.

- Miscellaneous Revenue is up a total of $3 million from Budget. This includes a $1 million increase reported in the First Quarter Ontario Finances, and an additional $2 million for Ontario Provincial Police services contracts with the counties of Haliburton and Wellington.

In-Year Operating Expenditure Changes

The 1999-00 operating expenditure outlook at $57,172 million, has increased by $329 million from the 1999 Budget Plan and $330 million from first-quarter results.

1999-00 Operating Expenditure Changes Since Budget
($ Millions)

Changes This Quarter:	
Canada Millennium Scholarships – increased funding	107
Restructuring and Other Charges – increase in provision	100
Forest Fire-Fighting – net additional costs	74
Employment Insurance Clients – training costs	47
Canadian Blood Services – insurance costs	18
Public Debt Interest – savings	(30)
All Other Changes (Net)	14
Net Changes Reported in First Quarter Ontario Finances	(1)
Total In-Year Operating Expenditure Changes	**329**

Source: Ontario Ministry of Finance.

- An additional $107 million has been provided in-year for Canada Millennium Scholarships, fully offset by increased transfers from the federal government.
- In recognition of the extent of restructuring taking place in the province, the provision for Restructuring and Other Charges is being increased by $100 million. Details will be reported as the Government makes further restructuring decisions over the course of the year.
- Additional forest fire-fighting costs have increased expenditure in-year by a net $74 million due to higher-than-average forest fire activity.
- Spending increased by $47 million in-year due to increased training costs for Employment Insurance clients. This expenditure was fully offset by increased federal transfers.
- Insurance costs for Canadian Blood Services added $18 million to expenditure in-year.
- Public Debt Interest (PDI) savings of $30 million are due to lower financing requirements, leading to higher liquid reserves and consequently higher investment income than projected at the time of the Budget.

In-Year Capital Expenditure Changes

The capital expenditure outlook has increased by $61 million from the 1999 Budget Plan to $2,944 million, up $59 million from the first-quarter results.

1999-00 Capital Expenditure Changes Since Budget
($ Millions)

Changes This Quarter:	
Water Bombers – purchase of four remaining aircraft	57
Land Purchase – Manitoulin Island	2
Net Changes Reported in First Quarter Ontario Finances	2
Total In-Year Capital Expenditure Changes	**61**

Source: Ontario Ministry of Finance.

- An in-year increase of $57 million was provided to complete the planned acquisition of four remaining forest fire-fighting water bombers.

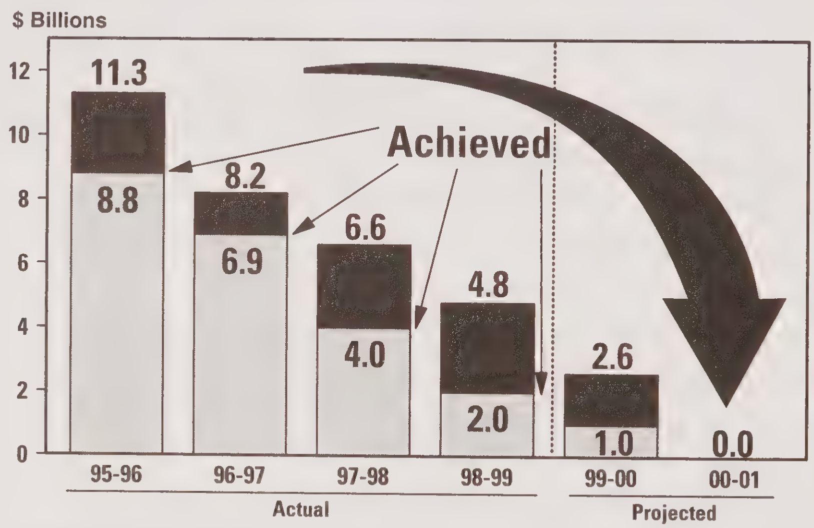
- An additional $2 million was provided in-year for the purchase of land on Manitoulin Island to protect significant natural heritage sites.

On Track to Eliminate the Deficit

A Clear and Workable Plan

In the November 1995 Fiscal and Economic Statement, the Government introduced its Balanced Budget Plan, which set out declining annual deficit targets for the Province, culminating in a balanced budget in 2000-01. In each of the past four years, the Government has achieved a lower deficit than called for in the Balanced Budget Plan. The Province is currently on track to overachieve its 1999-00 deficit target. The Taxpayer Protection and Balanced Budget Act, 1999 approved by the Legislature in November will ensure future fiscal responsibility.

Ontario's Balanced Budget Plan on Track



Source: Ontario Ministry of Finance.

- As of September 30, the second-quarter outlook for the 1999-00 deficit is $1.0 billion, $1,050 million lower than the 1999 Budget forecast of $2.1 billion, and $1.6 billion below the original Balanced Budget Plan target of $2.6 billion.

- The recently released 1998-99 Public Accounts reported the 1998-99 deficit at $2.0 billion, $2,222 million below the 1998 Budget target of $4.2 billion, and $2.8 billion below the $4.8 billion target set out in the Balanced Budget Plan.

- The 1997-98 deficit at $4.0 billion was $2,614 million below the 1997 Budget target of $6.6 billion.

- The 1996-97 deficit at $6.9 billion overachieved the 1996 Budget target of $8.2 billion by $1,275 million.

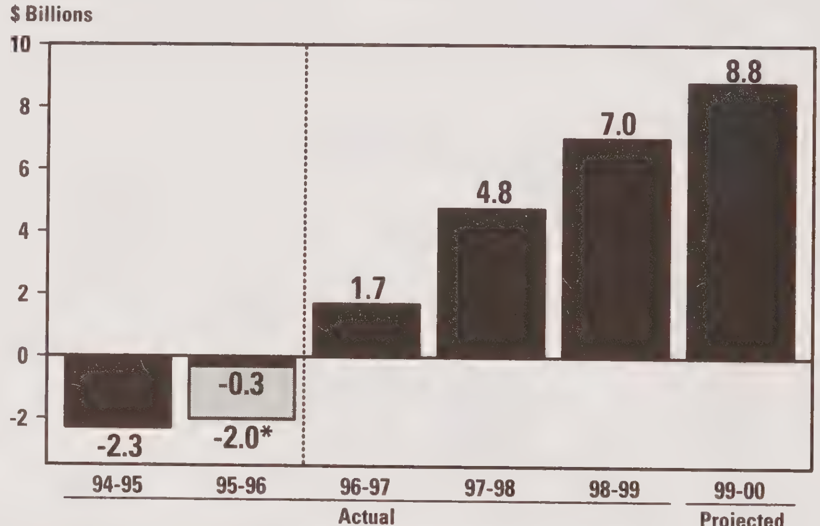
- In 1995-96, the deficit at $8.8 billion, was $508 million lower than the $9.3 billion Balanced Budget Plan target for that year, and well below the $11.3 billion potential deficit facing the Government upon assuming office.

Increasing the Operating Surplus

The operating balance is an important fiscal measure. It is calculated as the difference between total government revenue and total spending on all programs, not including public debt interest. By increasing the operating surplus, the Government is continuing to reduce borrowing needed to pay interest costs on the public debt.

When the budget is balanced in 2000-01, Provincial spending will be less than or match Provincial revenue. As the Government moves closer to achieving this objective, the Province's operating surplus will grow.

Operating Surplus Growing



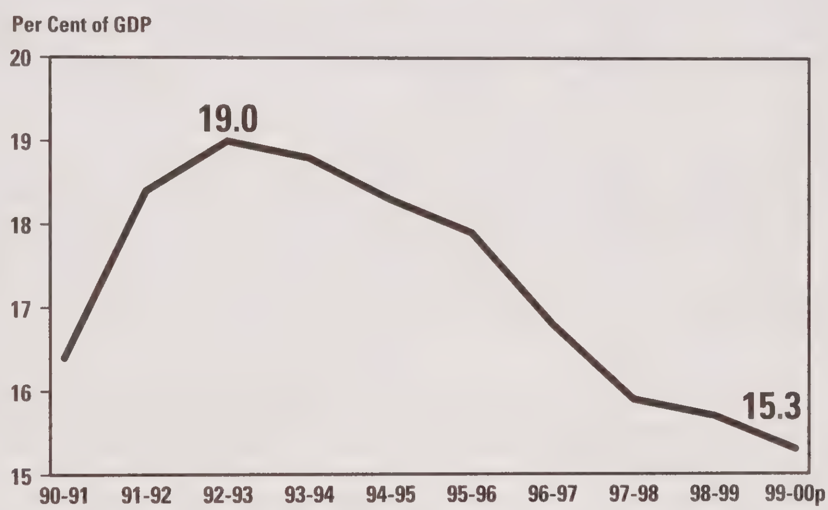
* Potential operating deficit of $2.0 billion when Government assumed office in June 1995.
Source: Ontario Ministry of Finance.

- The Province's operating surplus has grown from $1.7 billion in 1996-97 to $7.0 billion in 1998-99. The 1999-00 operating surplus is forecast at $8.8 billion.

Reducing Spending as a Per Cent of GDP

After rising sharply in the early 1990s, total spending as a per cent of Provincial GDP has been declining steadily. The Government's policy of controlling spending and cutting taxes to promote economic growth has resulted in an improved business climate and worked toward restoring Ontario's finances to a sound footing.

Spending as a Per Cent of GDP



p = projection.
Sources: Ontario Ministry of Finance and Statistics Canada.

- With rapidly increasing spending and a weak economy, Provincial spending as a share of the economy peaked at 19.0 per cent in 1992-93.

- Spending as a per cent of Provincial GDP is projected at 15.3 per cent in 1999-00.

Financing and Debt Management

Market Conditions

- The Province continued to benefit from preferred market access despite an increasingly negative tone in the bond markets during the second quarter.

- U.S. Treasury bond yields have increased since the beginning of the calendar year. The U.S. Federal Reserve has raised the Federal Funds benchmark interest rate three times so far this fiscal year in response to a pick-up in the global economy and corresponding fears of inflation.

- Government of Canada bond yields have risen more than U.S. yields since the beginning of the fiscal year, as markets perceive a narrowing of the Canada-U.S. inflation gap. In mid-November, the Bank of Canada raised interest rates for the first time this fiscal year, aiming to keep inflation within its 1 to 3 per cent target range.

- Canadian bond yields have also been affected in recent months by growing financial market concern about a potential increase in federal government spending.

Financing Program

- As of September 30, total financing requirements have declined from $11.3 billion to $9.6 billion, down $1.7 billion from the 1999 Budget forecast. Lower financing requirements are largely due to a stronger economy leading to higher revenues.

- As of November 24, the Ontario Financing Authority (OFA) had completed over $5.9 billion of the Province's planned 1999-2000 long-term public market borrowing of $8.6 billion. The Province plans to raise an additional $2.7 billion in long-term public market financing this fiscal year.

- During the second quarter, the Province borrowed $954 million, including $164 million in Canada Pension Plan (CPP) refinancing. While all borrowing in the second quarter was accomplished in the Canadian domestic market, the Province subsequently issued two yen transactions and a Euro-Canadian bond issue, raising a total of $514 million outside of the domestic market.

Financial Summary
($ Millions)

	Budget Plan 1999-00	Outlook 1999-00
Borrowing Requirements:		
Deficit	2,076	1,026
Cash Timing Adjustment	3,192	2,129
Borrowing on Behalf of Agencies	(1,375)	(1,375)
Decrease in Liquid Reserves	(600)	(600)
Net Cash Requirements	3,293	1,180
Maturing Debt	8,050	8,050
Early Redemptions and Debt Buybacks	--	405
Total Financing Requirements	**11,343**	**9,635**
Financed by:		
Canada Pension Plan	917	870
Increase in Short-term Borrowing	1,800	139
Long-term Public Borrowing Completed	558	5,928*
Long-term Public Borrowing Planned	8,068	2,698
Total Financing	**11,343**	**9,635**

*Borrowing completed as of November 24, 1999.
Source: Ontario Financing Authority.

- "Early Redemptions and Debt Buybacks" totalled $405 million. This includes $286 million in early redemptions of Ontario Savings Bonds in June and $119 million from the repurchase and retirement of Province of Ontario Bonds.

- The OFA continues to manage the Province's cash levels prudently, balancing the need to meet the Province's financing requirements with the objective of avoiding unnecessary charges to public debt interest.

- The excellent liquidity of provincial debt instruments, and readily expandable short-term borrowing capacity, ensure that the Province will have sufficient cash levels to meet its requirements before and after the Year 2000 transition period.

Debt Management Program

- Total Provincial Purpose Debt is forecast to be $119.2 billion at March 31, 2000, up from $109.2 billion at March 31, 1999. The increase includes $8.9 billion as a result of the debt-for-equity swaps with each of Ontario Hydro Services Company and Ontario Power Generation.

- The Province adheres to prudent risk management policies, using financial instruments such as options and swaps to hedge the Province's foreign exchange and interest rate risks.

- The Ontario Financing Authority is limited to having a maximum foreign exchange exposure of 5 per cent of total outstanding debt. As of September 30, the Province's foreign exchange exposure was only 1.1 per cent of total debt.

- Ontario also limits its exposure to interest rate fluctuations. As of September 30, the Province's floating interest rate debt (net of liquid reserves) was 4.1 per cent of total outstanding debt. The OFA is limited to having a maximum floating interest rate exposure (net of liquid reserves) of 20 per cent of total debt outstanding.

Ontario Electricity Financial Corporation

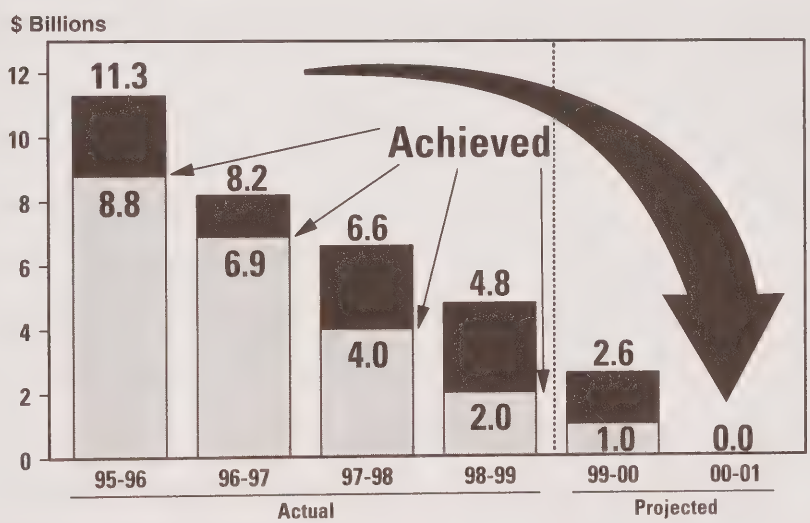
- As of November 24, the Ontario Financing Authority, on behalf of the Ontario Electricity Financial Corporation (OEFC), had borrowed $1.3 billion out of an estimated $2.2 billion in 1999-00 long-term borrowing requirements to refinance maturing debt and finance cash-flow timing differences.

Conclusion

Since June 1995 the deficit has been reduced from a projected level of $11.3 billion to $1.0 billion, a drop of over 90 per cent. Deficit targets have been overachieved in each year of the Balanced Budget Plan and the Government is on track to balance the budget in 2000-01. The Taxpayer Protection and Balanced Budget Act, 1999 approved by the Legislature in November will ensure future fiscal responsibility.

With a balanced budget and a strong economy, Ontarians can have confidence that the Province has been restored to a sound fiscal footing.

Ontario's Balanced Budget Plan on Track



Source: Ontario Ministry of Finance.

LIST OF FINANCIAL TABLES AND GRAPHS

Financial Tables

Table Numbers

Graphs

Statement of Financial Transactions **Table D1**
($ Millions)

	Actual 1995-96	Actual 1996-97	Actual 1997-98	Actual 1998-99	Outlook* 1999-00
Revenue	49,473	49,450	52,518	55,786	59,090
Expenditure					
Programs	45,309	42,831	43,637	46,752	47,284
Restructuring and Other Charges	854	2,180	1,595	76	100
Total Program Expenditure	46,163	45,011	45,232	46,828	47,384
Capital	3,635	2,737	2,523	1,944	2,944
Public Debt Interest					
Provincial	8,475	8,607	8,729	9,016	9,268
Ontario Hydro Successor Companies**	-	-	-	-	520
Total Expenditure	58,273	56,355	56,484	57,788	60,116
Reserve	-	-	-	-	-
Deficit	**8,800**	**6,905**	**3,966**	**2,002**	**1,026**

* Second-quarter results as at September 30.
** Debt service costs in 1999-00 related to the Province's equity ownership of Ontario Hydro successor companies are offset by increased income from Government Enterprises revenue, which reflects the net income of these corporations.
Source: Ontario Ministry of Finance.

Ontario Opportunities Fund **Table D2**
($ Millions)

		1998-99
Provincial Purpose Debt at April 1, 1998		105,474
Add: Borrowing requirements to finance projected deficit of $4,224 million and investments in agencies	8,556	
Decrease in liquid reserves	(2,634)	
Increase in debt:		5,922
Debt before Ontario Opportunities Fund		111,396
Less:		
Ontario Opportunities Fund		
Overachievement in 1998-99 deficit target (including contributions from Ontarians*)	2,222	
Fund Balance Applied to Debt Reduction		(2,222)
Provincial Purpose Debt at March 31, 1999		109,174

* Contributions from Ontarians amounted to $164,365 in 1998-99.
Source: Ontario Ministry of Finance.

Revenue
($ Millions)

Table D3

	Actual 1995-96	Actual 1996-97	Actual 1997-98	Actual 1998-99	Outlook 1999-00
Taxation Revenue					
Personal Income Tax	15,633	16,357	16,293	17,190	16,075
Retail Sales Tax	9,424	9,964	10,843	11,651	12,460
Corporations Tax	5,174	5,852	7,456	7,447	7,820
Employer Health Tax	2,695	2,772	2,851	2,882	2,990
Gasoline Tax	1,944	1,951	2,028	2,068	2,155
Fuel Tax	500	540	563	592	595
Tobacco Tax	337	356	425	447	470
Land Transfer Tax	342	452	565	470	540
Mining Profits Tax	71	54	40	23	30
Race Tracks Tax	92	46	4	6	5
Preferred Share Dividends Tax	65	73	60	50	35
Other Taxation	97	113	141	251	225
	36,374	**38,530**	**41,269**	**43,077**	**43,400**
Government of Canada					
Canada Health and Social Transfer	6,328	4,814	3,970	3,553	3,693
Increase in CHST Allocation	-	-	-	-	190
CHST Health Supplement	-	-	-	-	755
Fiscal Stabilization	367	-	-	-	-
National Training Act	55	37	-	-	-
Bilingualism Development	62	44	49	55	55
Young Offenders Act	61	59	59	57	58
Employability Assistance for People with Disabilities	63	65	53	71	65
Canada-Ontario Infrastructure Works	350	142	116	71	29
Social Housing	384	341	387	358	370
Other	210	276	464	350	463
	7,880	**5,778**	**5,098**	**4,515**	**5,678**
Income from Government Enterprises					
Ontario Lottery Corporation	651	654	714	682	930
Liquor Control Board of Ontario	667	701	745	809	830
Ontario Casino Corporation	422	594	771	1,082	995
Ontario Hydro Successor Companies	-	-	-	-	527
Other	(10)	10	61	(26)	(35)
	1,730	**1,959**	**2,291**	**2,547**	**3,247**
Other Revenue					
Vehicle and Driver Registration Fees	736	816	820	890	880
Other Fees and Licences	573	560	548	661	625
Liquor Licence Revenue	530	520	506	519	515
Royalties	263	264	286	289	225
Sales and Rentals	497	543	582	640	2,230
Fines and Penalties	143	157	174	50	57
Local Services Realignment - Reimbursement of Expenditure	-	-	519	2,109	1,794
Miscellaneous	747	323	425	489	439
	3,489	**3,183**	**3,860**	**5,647**	**6,765**
Total Revenue	**49,473**	**49,450**	**52,518**	**55,786**	**59,090**

Source: Ontario Ministry of Finance.

Operating Expenditure — Table D4
($ Millions)

Ministry	Actual 1995-96	Actual 1996-97	Actual 1997-98	Actual 1998-99	Outlook 1999-00
Agriculture, Food and Rural Affairs	263	324	306	309	367
Farm Tax Rebate	157	150	158	-	-
Attorney General	1,085	638	681	751	816
Board of Internal Economy	206	124	113	117	121
Citizenship, Culture and Recreation	363	302	282	345	402
Office Responsible for Women's Issues	18	14	18	20	26
Community and Social Services	8,816	7,965	8,047	7,648	7,705
Consumer and Commercial Relations	140	123	92	136	128
Correctional Services*	507	537	531	540	502
Economic Development and Trade*	337	192	140	88	113
Education*	4,677	4,257	4,713	7,717	7,899
Teachers' Pension Plan (TPP)	812	933	1,443	67	(85)
School Board Transition	-	-	224	-	-
Energy, Science and Technology	13	11	69	333	146
Environment	226	146	142	162	167
Executive Offices	13	13	14	17	23
Finance - Own Account	701	435	690	999	739
Public Debt Interest					
Provincial	8,475	8,607	8,729	9,016	9,268
Ontario Hydro Successor Companies	-	-	-	-	520
Community Reinvestment Fund	-	-	169	678	543
Restructuring and Other Charges – Unallocated	-	-	-	-	100
Health and Long Term Care	17,607	17,760	18,284	18,868	20,203
Health Care Restructuring	-	970	532	50	-
Major One-time Health Care Costs	-	-	113	639	-
Intergovernmental Affairs	5	4	5	4	4
Labour	135	103	117	108	96
Management Board Secretariat	554	712	352	358	451
Public Service/OPSEU Pension Plan	685	94	(86)	(219)	(223)
Contingency Fund	-	-	-	-	514
OPS Employee Severance (Net)	400	438	(159)	-	-
Special Circumstances Fund	-	-	-	180	-
Municipal Affairs and Housing	2,421	2,456	2,395	1,611	1,594
Municipal Capital and Operating Restructuring Fund	-	150	23	-	-
Municipal Restructuring Fund	-	-	71	-	-
Native Affairs Secretariat	16	17	10	10	12
Natural Resources	519	417	405	542	447
Northern Development and Mines	66	52	62	82	127
Office of Francophone Affairs	2	2	2	3	3
Solicitor General*	604	622	644	746	756
Tourism*	48	53	54	70	64
Training, Colleges and Universities*	3,713	3,568	2,988	3,215	3,462
Transportation	1,054	879	709	607	562
Restructuring	-	550	50	(17)	-
TTC Five Year Capital Transfer/Ottawa-Carleton Regional Transit Commission Transit Bus Subsidy Agreement	-	-	829	44	-
Year-End Savings	-	-	-	-	(400)
Total Operating Expenditure	**54,638**	**53,618**	**53,961**	**55,844**	**57,172**

* Interim allocation pending finalization of new ministry structure.
Source: Ontario Ministry of Finance.

Capital Expenditure **Table D5**
($ Millions)

Ministry	**Actual 1995-96**	**Actual 1996-97**	**Actual 1997-98**	**Actual 1998-99**	**Outlook 1999-00**
Agriculture, Food and Rural Affairs	5	-	1	1	-
Attorney General	-	20	47	73	56
Citizenship, Culture and Recreation	29	9	7	6	16
Community and Social Services	14	116	51	38	22
Correctional Services*	-	-	5	30	133
Economic Development and Trade*	38	9	-	-	-
Education*	391	146	267	229	54
Energy, Science and Technology	-	-	-	23	17
Environment	238	225	98	19	23
Water Protection Fund	-	-	-	15	185
Finance	1	18	7	3	6
Health and Long Term Care	168	175	106	187	504
Management Board Secretariat	272	152	80	39	16
Municipal Affairs and Housing	628	313	152	62	-
Native Affairs Secretariat	9	13	11	10	12
Natural Resources	47	33	209	62	105
Northern Development and Mines	163	168	173	177	225
Solicitor General*	2	6	7	8	-
Tourism*	75	2	3	1	2
Training, Colleges and Universities*	168	53	113	69	742
Transportation	1,387	1,279	1,186	892	826
Total Capital Expenditure	**3,635**	**2,737**	**2,523**	**1,944**	**2,944**

* Interim allocation pending finalization of new ministry structure.
Source: Ontario Ministry of Finance.

Ten-Year Review of Selected Financial and Economic Statistics
($ Millions)

	Modified Cash Basis		
	1990-91	**1991-92**	**1992-93**
Financial Transactions			
Revenue	42,892	40,753	41,807
Expenditure			
Programs	38,924	43,613	45,350
Restructuring and Other Charges	-	-	-
Total Program Expenditure	38,924	43,613	45,350
Capital	3,221	3,874	3,592
Public Debt Interest			
Provincial	3,776	4,196	5,293
Ontario Hydro Successor Companies	-	-	-
Total Expenditure	45,921	51,683	54,235
Reserve	-	-	-
Deficit/(Surplus)	**3,029**	**10,930**	**12,428**
Provincial Purpose Debt	**42,257**	**53,083**	**68,607**
Gross Domestic Product (GDP) at Market Prices	280,604	280,853	285,313
Personal Income	236,865	243,485	252,288
Population - July (000s)	10,300	10,428	10,570
Total Debt per Capita (dollars)	4,103	5,090	6,491
Personal Income per Capita (dollars)	22,997	23,349	23,868
Total Expenditure as a per cent of GDP	16.4	18.4	19.0
Public Debt Interest as a per cent of Revenue	8.8	10.3	12.7
Total Debt as a per cent of GDP	15.1	18.9	24.0
Cumulative Net Borrowing for Ontario Hydro			
CAD	-	-	-
U.S.	5,049	4,185	3,969
C.P.P.	2,748	2,748	2,748
Contingent Liability (mainly Ontario Hydro)	26,009	30,369	34,657

* Debt service costs in 1999-00 related to the Province's equity ownership of Ontario Hydro successor companies are offset by increased income from Government Enterprises revenue, which reflects the net income of these corporations.

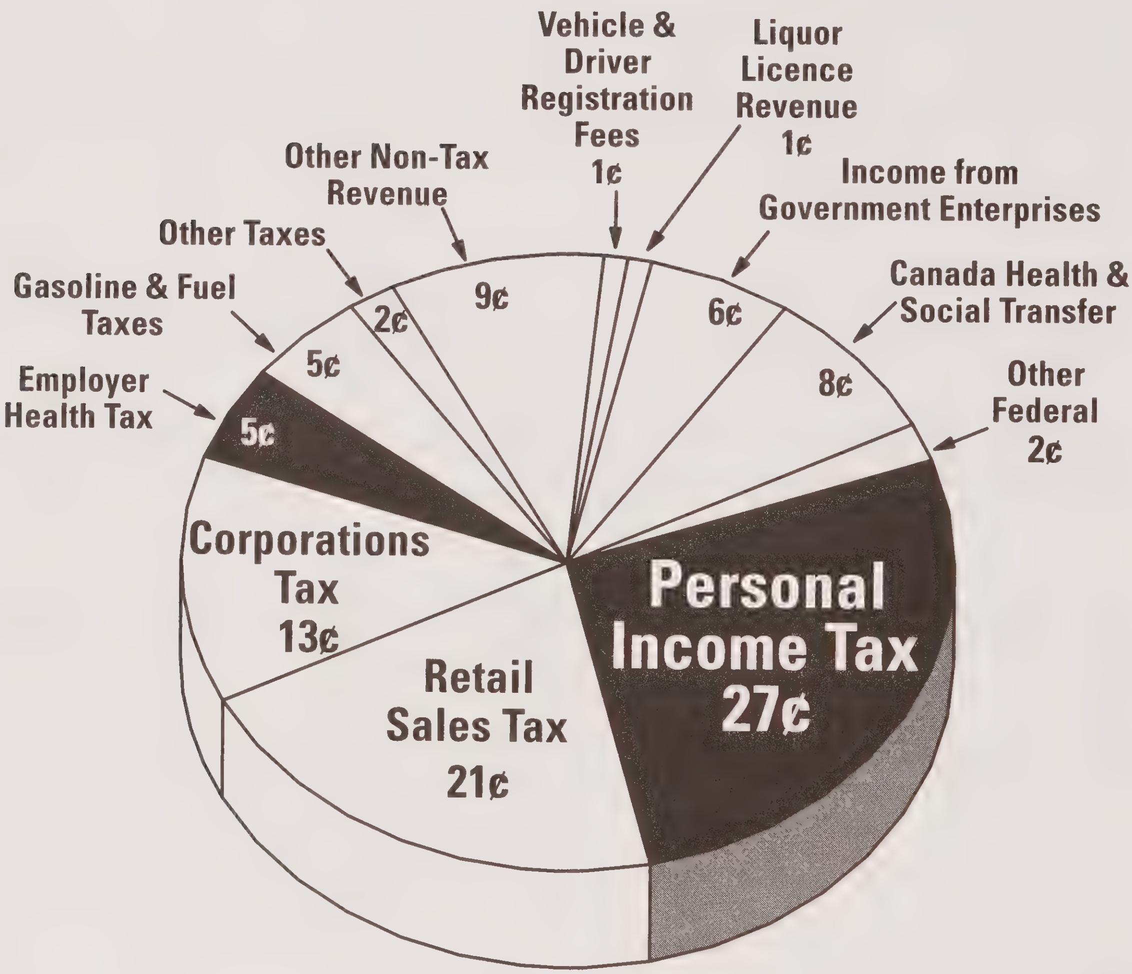
** Debt increased in 1999-00 by the Province's investment of $8.9 billion in Ontario Hydro successor companies.

Sources: Ontario Ministry of Finance and Statistics Canada.

Table D6

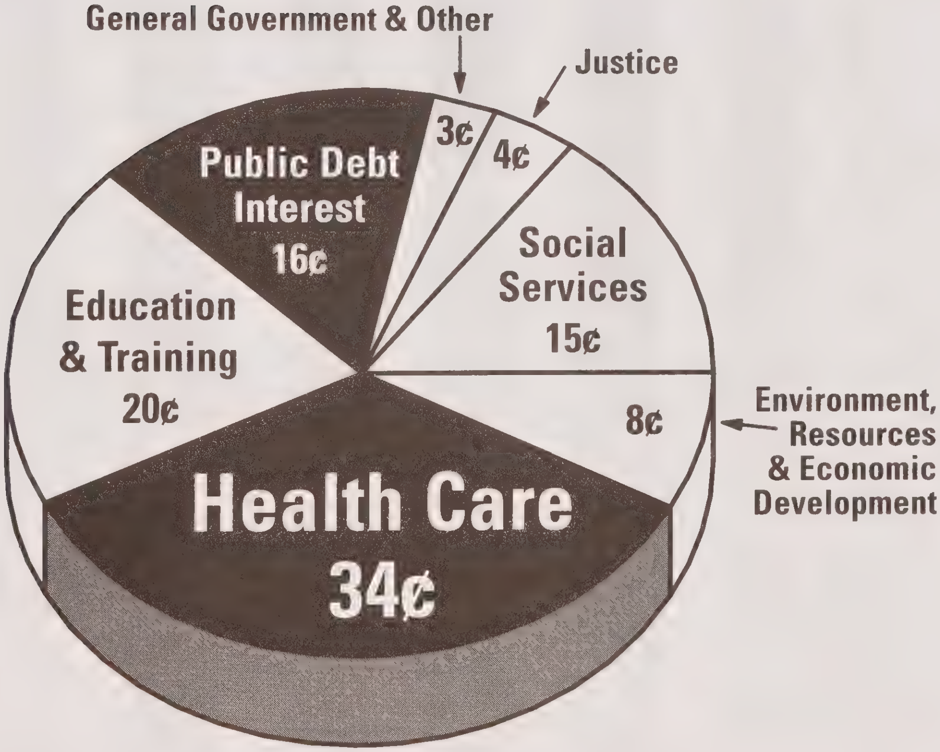
PSAB Basis						
1993-94	1994-95	1995-96	1996-97	1997-98	Actual 1998-99	Outlook 1999-00
43,674	46,039	49,473	49,450	52,518	55,786	59,090
44,195	44,505	45,309	42,831	43,637	46,752	47,284
-	-	854	2,180	1,595	76	100
44,195	44,505	46,163	45,011	45,232	46,828	47,384
3,552	3,831	3,635	2,737	2,523	1,944	2,944
7,129	7,832	8,475	8,607	8,729	9,016	9,268
-	-	-	-	-	-	520*
54,876	56,168	58,273	56,355	56,484	57,788	60,116
-	-	-	-	-	-	-
11,202	**10,129**	**8,800**	**6,905**	**3,966**	**2,002**	**1,026**
79,439	**88,580**	**101,396**	**101,511**	**105,474**	**109,174**	**119,239 ****
291,844	307,528	326,178	336,278	355,116	367,190	392,346
255,078	258,494	268,950	274,064	286,136	298,863	311,886
10,690	10,828	10,965	11,101	11,263	11,414	11,561
7,431	8,181	9,247	9,144	9,365	9,565	10,314
23,861	23,873	24,528	24,688	25,405	26,184	26,977
18.8	18.3	17.9	16.8	15.9	15.7	15.3
16.3	17.0	17.1	17.4	16.6	16.2	16.6
27.2	28.8	31.1	30.2	29.7	29.7	30.4
-	-	-	-	-	1,500	N/A
1,789	1,087	1,060	392	137	-	N/A
2,748	2,748	2,748	2,748	2,748	2,748	N/A
34,008	33,782	31,590	31,786	30,675	29,151	N/A

The Budget Dollar: Revenue 1999-2000*



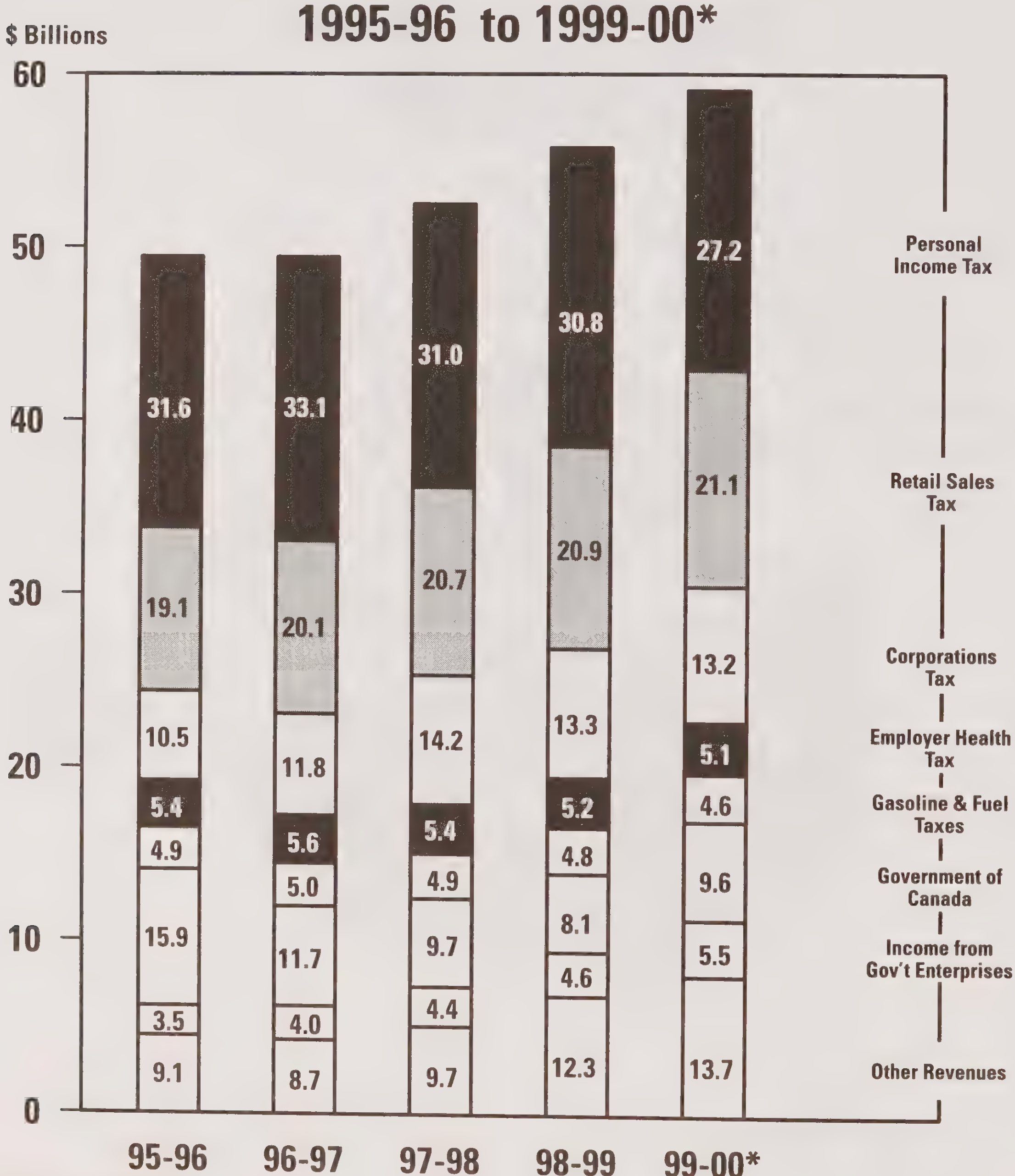
* As at September 30.

The Budget Dollar: Total Expenditure 1999-2000*



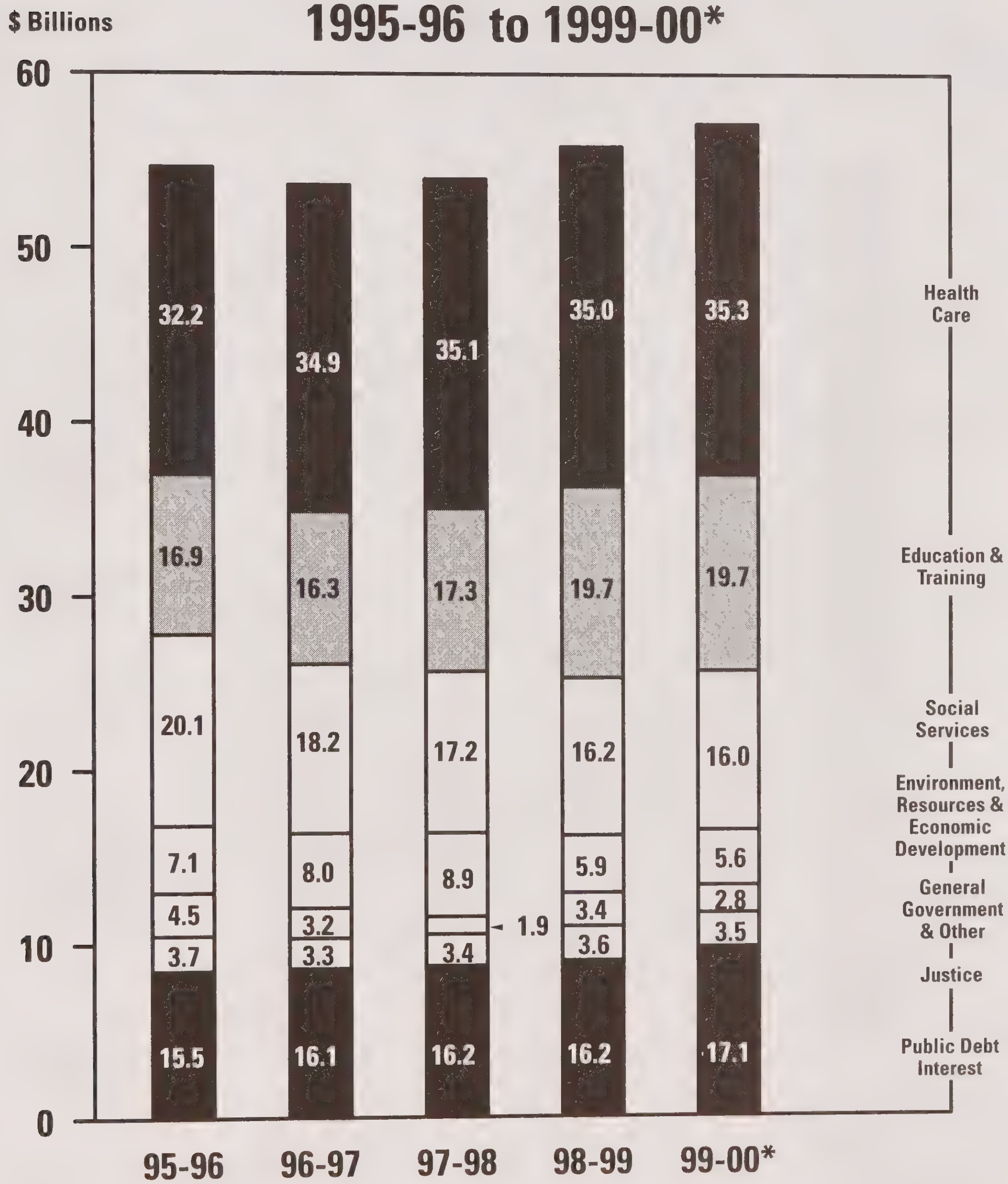
* As at September 30.

Revenue Sources by Category Per Cent of Total 1995-96 to 1999-00*



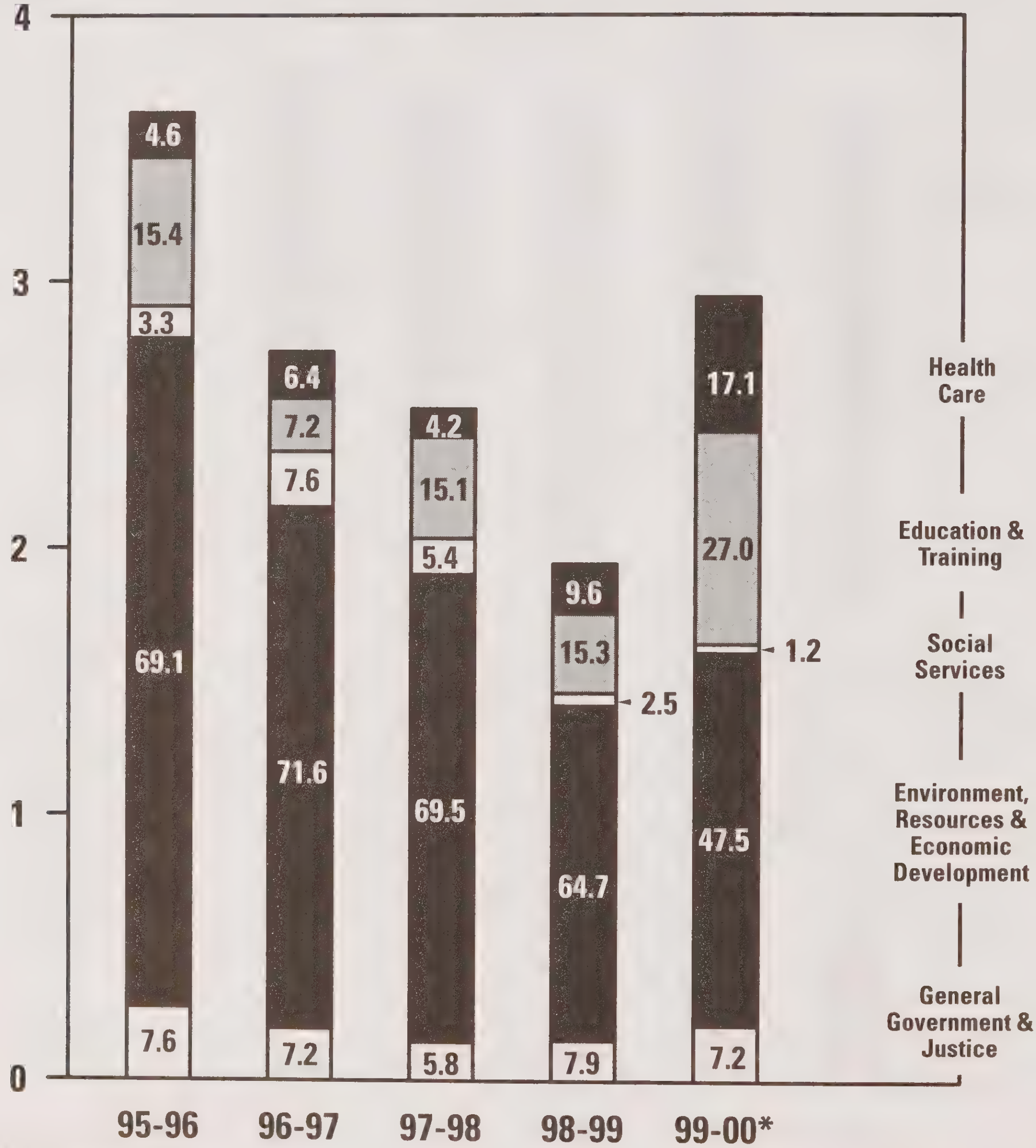
* As at September 30.

Operating Expenditure by Category
Per Cent of Total
1995-96 to 1999-00*



* As at September 30.

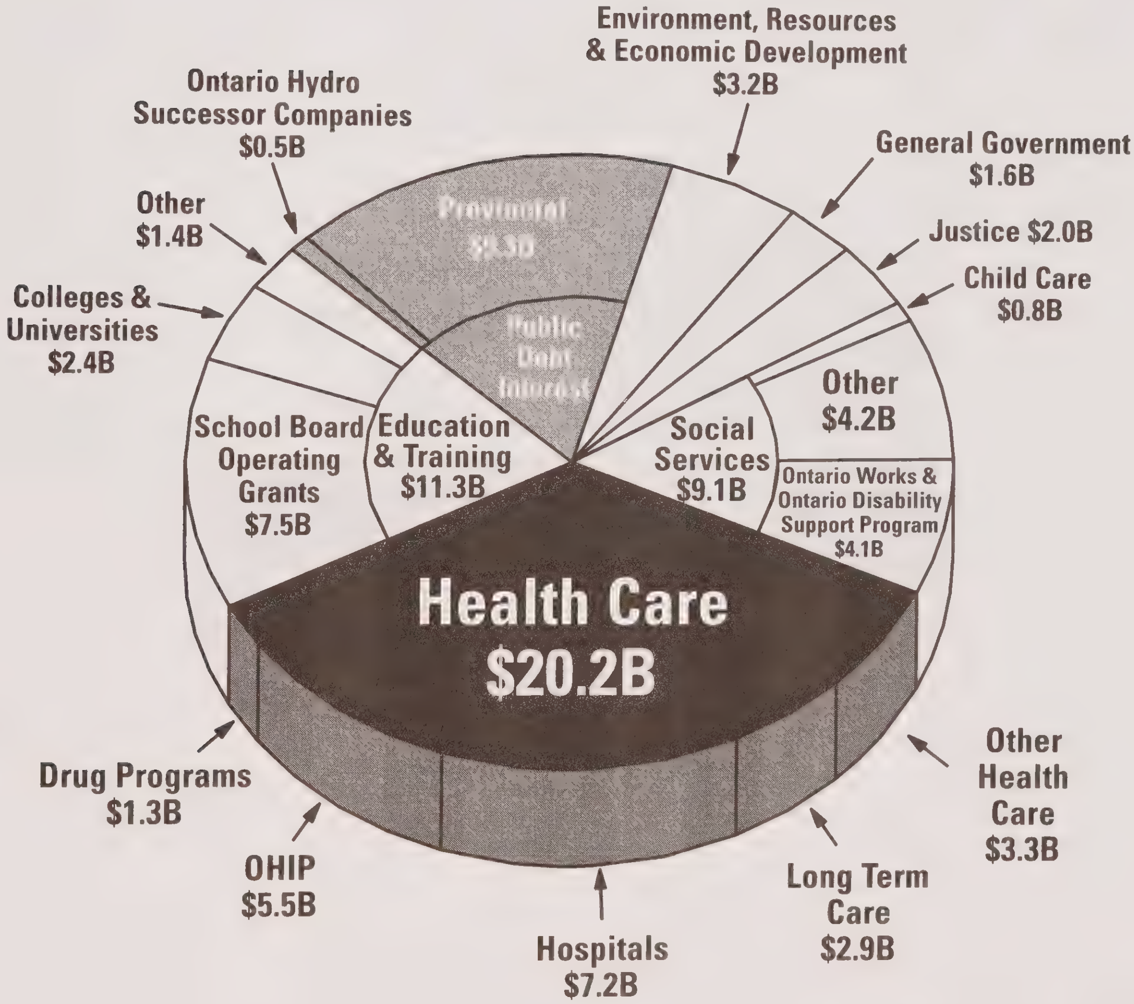
Capital Expenditure by Category
Per Cent of Total
1995-96 to 1999-00*



* As at September 30.

1999-2000 Operating Expenditure by Sector*

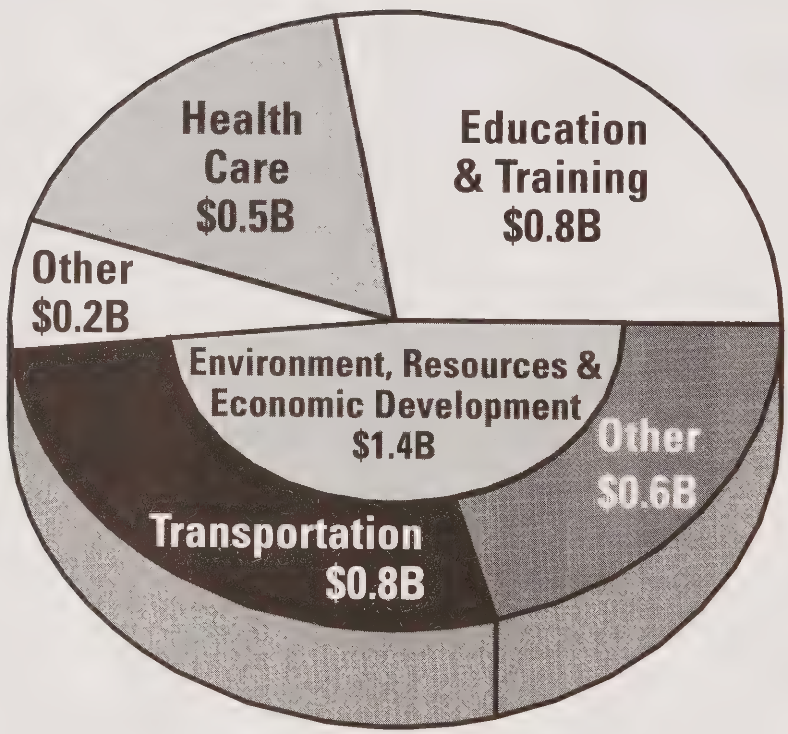
($ Billions)



* As at September 30.

1999-2000 Capital Expenditure by Sector*

($ Billions)



* As at September 30.

Economic Data Tables

LIST OF TABLES

LIST OF TABLES (Cont'd)

Table Numbers

Ontario Labour Markets

Economic Regions by Census Division

Ontario Labour Force Survey Regions

(Note: Data in the tables may not add to totals due to rounding.)

Table 1 **Outlook for the Ontario Economy**

	(Annual average per cent change)			
	Actual			Private-Sector Range
	1997	1998	1999e	2000p
Gross Domestic Product				
Real	4.8	4.2	5.0	3.0 - 3.7
Nominal	5.6	3.4	6.9	4.5 - 5.6
Other Economic Indicators				
Retail Sales	7.7	6.9	8.0	4.6 - 6.0
Housing Starts - Units (000s)	54.1	53.8	66.0	65.7 - 72.0
Personal Income	4.4	4.4	4.4	4.1 - 5.1
Pre-Tax Corporate Profits	9.1	-3.0	18.0	2.4 - 4.0
Consumer Price Index (1992=100)	1.9	0.9	1.9	1.8 - 2.5
Labour Market				
Employment	1.9	3.7	3.1	1.3 - 2.5
Unemployment Rate (%)	8.5	7.2	6.4	6.1 - 6.9

e = Ontario Ministry of Finance estimate. p = private-sector projection.

Sources: Statistics Canada, Ontario Ministry of Finance, Canada Mortgage and Housing Corporation and Survey of Private-Sector Forecasts.

Table 2 **Ontario, Gross Domestic Product, 1985-1998**

	(billions of dollars)						
	1985	1986	1987	1988	1989	1990	1991
Real Gross Domestic Product ($1992)	**250.1**	**261.1**	**271.6**	**287.9**	**296.5**	**291.6**	**282.2**
Consumption	134.1	141.2	148.5	156.6	162.0	162.6	160.1
Government	55.0	55.2	57.8	61.0	64.1	68.1	71.3
Residential Construction	16.9	19.3	21.8	22.4	24.1	19.0	15.6
Non-Residential Construction	8.8	10.1	11.2	12.2	12.9	11.8	11.3
Machinery and Equipment	10.0	12.4	14.1	16.3	16.7	15.8	15.4
Exports	119.8	124.2	126.8	138.6	143.8	142.5	137.3
Imports	95.2	101.7	108.6	121.3	128.0	125.2	123.9
Nominal Gross Domestic Product	**188.4**	**207.6**	**229.1**	**255.2**	**277.8**	**280.6**	**280.9**

Table 2 (continued)

	(billions of dollars)						
	1992	1993	1994	1995	1996	1997	1998
Real Gross Domestic Product ($1992)	**285.3**	**287.7**	**304.0**	**316.5**	**321.5**	**336.9**	**351.0**
Consumption	162.8	165.1	170.4	174.4	178.9	187.1	195.8
Government	69.3	69.3	69.5	69.8	68.0	67.0	68.7
Residential Construction	15.9	14.5	14.9	12.7	14.2	16.7	16.5
Non-Residential Construction	9.7	7.9	6.8	6.7	8.2	8.5	8.3
Machinery and Equipment	16.2	14.9	17.4	19.6	21.9	26.8	29.3
Exports	145.9	158.0	173.3	185.8	195.0	215.4	234.9
Imports	130.4	138.6	149.2	156.1	164.7	187.0	203.7
Nominal Gross Domestic Product	**285.3**	**291.8**	**307.5**	**326.2**	**336.3**	**355.1**	**367.2**

Sources: Statistics Canada and Ontario Ministry of Finance.

Table 3 **Ontario, Selected Economic Indicators, 1985-1998**

	1985	1986	1987	1988	1989	1990	1991
Retail Sales* ($ billions)	53.7	58.6	64.7	69.8	72.6	72.6	67.3
Housing Starts - Units (000s)	64.9	81.5	105.2	99.9	93.3	62.6	52.8
Personal Income ($ billions)	155.5	168.7	184.9	205.8	225.5	236.9	243.5
Pre-Tax Corporate Profits ($ billions)	19.4	20.7	25.5	29.1	27.0	19.4	14.7
Consumer Price Index (1992 = 100)	74.2	77.5	81.4	85.3	90.2	94.6	99.0
Labour Force (000s)	5,012	5,133	5,272	5,408	5,521	5,577	5,582
Employment (000s)	4,608	4,772	4,951	5,136	5,241	5,226	5,044
Unemployment Rate (%)	8.1	7.0	6.1	5.0	5.1	6.3	9.6

Table 3 (continued)	1992	1993	1994	1995	1996	1997	1998
Retail Sales* ($ billions)	68.9	71.7	76.9	79.6	80.2	86.4	92.4
Housing Starts - Units (000s)	55.8	45.1	46.6	35.8	43.1	54.1	53.8
Personal Income ($ billions)	252.3	255.1	258.5	268.9	274.1	286.1	298.9
Pre-Tax Corporate Profits ($ billions)	14.5	17.7	28.0	33.8	34.7	37.9	36.7
Consumer Price Index (1992 = 100)	100.0	101.8	101.8	104.3	105.9	107.9	108.9
Labour Force (000s)	5,610	5,692	5,707	5,732	5,839	5,915	6,050
Employment (000s)	5,001	5,089	5,160	5,231	5,311	5,413	5,613
Unemployment Rate (%)	10.9	10.6	9.6	8.7	9.1	8.5	7.2

* Retail sales include Federal Sales Taxes up to 1990 but exclude GST after 1990.

Sources: Statistics Canada, Ontario Ministry of Finance and Canada Mortgage and Housing Corporation.

Table 4 **Ontario, Real Gross Domestic Product by Industry[1], 1992-1998**

	(millions of dollars)			
	1992	1993	1994	1995
Goods Producing Industries	**78,424**	**79,505**	**84,040**	**88,287**
Primary Industries	5,826	5,851	5,775	5,852
Agriculture	2,647	2,734	2,886	2,921
Manufacturing[2]	50,794	53,284	57,640	62,100
Construction	13,322	11,470	11,494	11,053
Utilities	8,482	8,899	9,131	9,282
Services Producing Industries	**166,618**	**168,667**	**175,270**	**179,682**
Transportation, Storage and Communication	16,063	15,898	16,653	16,789
Transportation & Storage	8,148	8,250	8,798	8,840
Communication	7,915	7,648	7,855	7,950
Trade	26,647	27,158	29,433	30,666
Wholesale	13,288	13,524	14,959	15,696
Retail	13,359	13,633	14,474	14,970
Finance, Insurance and Real Estate	42,940	43,910	45,660	46,876
Community, Business and Personal Services	63,970	64,773	66,055	67,890
Education	16,478	16,602	16,596	16,837
Health & Social Services	18,289	18,279	18,336	18,412
Business Services	12,866	13,450	14,172	15,489
Accommodation, Food & Beverage Services	5,862	5,891	6,210	6,238
Amusement & Recreation	2,461	2,456	2,559	2,622
Personal & Household Services	2,126	2,131	2,140	2,138
Other Services	5,889	5,965	6,044	6,154
Government Services	16,998	16,929	17,469	17,461
Federal	8,036	7,939	8,459	8,441
Provincial	4,224	4,169	4,114	4,044
Local	4,737	4,820	4,896	4,976
Total Production ($1992) at Factor Cost	**245,042**	**248,172**	**259,310**	**267,968**
Indirect Taxes Less Subsidies plus Miscellaneous Adjustments	40,271	39,571	44,729	48,483
Gross Domestic Product ($1992) at Market Prices	**285,314**	**287,743**	**304,039**	**316,452**

Table 4 (continued) **Ontario, Real Gross Domestic Product by Industry[1], 1992-1998**

	(millions of dollars)		
	1996	1997	1998
Goods Producing Industries	**89,387**	**94,532**	**98,116**
Primary Industries	5,861	5,874	6,001
Agriculture	2,886	2,952	2,999
Manufacturing[2]	62,600	66,942	70,579
Construction	11,682	12,456	12,501
Utilities	9,244	9,260	9,036
Services Producing Industries	**182,730**	**189,714**	**197,568**
Transportation, Storage and Communication	17,347	18,373	19,436
Transportation & Storage	9,236	9,864	10,199
Communication	8,111	8,510	9,237
Trade	31,267	33,933	36,933
Wholesale	16,394	18,167	19,889
Retail	14,873	15,765	17,044
Finance, Insurance and Real Estate	48,763	50,796	51,943
Community, Business and Personal Services	68,512	70,017	72,805
Education	16,466	15,847	16,243
Health & Social Services	18,177	18,247	18,419
Business Services	16,576	18,058	19,667
Accommodation, Food & Beverage Services	6,305	6,634	6,948
Amusement & Recreation	2,709	2,875	2,984
Personal & Household Services	2,087	2,111	2,160
Other Services	6,193	6,246	6,384
Government Services	16,842	16,595	16,450
Federal	8,139	7,860	7,901
Provincial	3,784	3,736	3,665
Local	4,919	4,999	4,885
Total Production ($1992) at Factor Cost	**272,117**	**284,247**	**295,684**
Indirect Taxes Less Subsidies plus Miscellaneous Adjustments	49,413	52,693	55,339
Gross Domestic Product ($1992) at Market Prices	**321,530**	**336,940**	**351,023**

Notes: 1. Gross Domestic Product on an industry basis is at factor cost, whereas GDP on an expenditure basis is at market prices.
2. See Table 5 for detailed Manufacturing industries.

Sources: Statistics Canada and Ontario Ministry of Finance.

Table 5 **Ontario, Real Gross Domestic Product in Selected Manufacturing Industries[1], 1992-1998**

(millions of dollars)

	1992	1993	1994	1995	1996	1997	1998
Manufacturing	50,794	53,284	57,640	62,100	62,600	66,942	70,579
Food	6,246	6,260	6,438	6,758	6,938	7,133	7,515
Beverage	1,472	1,561	1,613	1,746	1,674	1,708	1,880
Rubber Products	824	939	1,108	1,134	1,118	1,183	1,233
Plastics Products	1,453	1,503	1,622	1,599	1,730	1,859	2,010
Leather & Allied Products	183	193	210	182	167	176	180
Primary Textile & Textile Products	852	861	976	1,092	1,125	1,216	1,244
Clothing	776	753	728	766	744	811	845
Wood	767	799	869	914	1,065	1,242	1,344
Furniture & Fixture	830	912	1,026	1,140	1,200	1,410	1,681
Paper & Allied Products	2,149	2,131	2,190	2,179	2,189	2,249	2,205
Printing & Publishing	3,703	3,353	3,453	3,452	3,414	3,641	3,679
Primary Metals	2,893	3,062	3,084	3,214	3,267	3,345	3,492
Fabricated Metal Products	3,537	3,765	4,379	4,861	4,834	5,271	5,597
Machinery	1,991	2,304	2,766	3,354	3,259	3,626	3,483
Transportation Equipment	10,171	11,763	13,228	14,660	15,216	16,679	17,469
Electrical & Electronic	4,552	4,583	5,160	5,765	5,250	5,650	6,278
Non-metallic Mineral Products	1,210	1,224	1,275	1,310	1,349	1,470	1,605
Refined Petroleum & Coal Products	400	413	427	439	467	473	480
Chemical & Chemical Products	4,530	4,786	4,843	5,120	5,184	5,414	5,843
Other Manufacturing	2,258	2,120	2,247	2,414	2,412	2,385	2,514

Note: 1. Gross Domestic Product on an industry basis is at factor cost, whereas GDP on an expenditure basis is at market prices.

Sources: Statistics Canada and Ontario Ministry of Finance.

Table 6 **Ontario, Housing Market Indicators, 1992-1998**

	1992	1993	1994	1995	1996	1997	1998
Residential Construction							
Current $ millions	**15,885**	**14,709**	**15,432**	**13,335**	**14,871**	**17,864**	**18,261**
New Construction	7,860	6,686	7,499	5,987	6,600	8,594	8,726
Alterations and Improvements	4,949	5,338	5,084	5,017	5,406	5,765	5,942
Transfer Costs	3,076	2,685	2,849	2,331	2,865	3,505	3,593
Housing Starts (000's)	**55.8**	**45.1**	**46.6**	**35.8**	**43.1**	**54.1**	**53.8**
Home Resales (000's)	**114.4**	**106.8**	**115.2**	**105.0**	**137.9**	**140.6**	**138.5**
Average Resale Home Price ($)	**161,493**	**156,555**	**160,158**	**154,606**	**155,662**	**164,382**	**167,115**

Sources: Statistics Canada, Canada Mortgage and Housing Corporation, Canadian Real Estate Association and Ontario Ministry of Finance.

Table 7 **Selected Financial Indicators, 1985-1998**

	(per cent)						
	1985	1986	1987	1988	1989	1990	1991
Interest Rates							
Bank Rate	9.6	9.2	8.4	9.7	12.3	13.0	9.0
Prime Rate	10.6	10.5	9.5	10.8	13.3	14.1	9.9
10-Year Government Bonds	11.0	9.5	9.9	10.2	9.9	10.9	9.8
Three-Month T-Bills	9.4	9.0	8.1	9.5	12.1	12.8	8.7
Mortgage Rates							
5-Year Rate	12.2	11.2	11.1	11.6	12.1	13.2	11.2
1-Year Rate	10.3	10.2	9.9	10.8	12.9	13.4	10.1
Household Debt Burden*							
Consumer	17.6	18.6	19.6	20.5	21.1	21.9	21.8
Mortgage	37.2	39.7	43.6	46.6	49.1	53.1	55.7
Total	54.7	58.3	63.2	67.2	70.2	75.0	77.4

Table 7 (continued)

	(per cent)						
	1992	1993	1994	1995	1996	1997	1998
Interest Rates							
Bank Rate	6.8	5.1	5.8	7.3	4.5	3.5	5.1
Prime Rate	7.5	5.9	6.9	8.6	6.1	5.0	6.6
10-Year Government Bonds	8.8	7.8	8.6	8.3	7.5	6.4	5.5
Three-Month T-Bills	6.6	4.8	5.5	7.1	4.2	3.2	4.7
Mortgage Rates							
5-Year Rate	9.5	8.7	9.3	9.2	7.9	7.1	6.9
1-Year Rate	7.9	6.9	7.8	8.4	6.2	5.5	6.5
Household Debt Burden*							
Consumer	21.3	21.4	22.6	23.2	24.5	26.1	27.6
Mortgage	59.2	62.3	65.6	65.8	67.5	69.0	70.1
Total	80.5	83.7	88.2	89.0	92.0	95.1	97.8

* Canadian household debt as a share of personal disposable income.

Note: All data are annual averages.

Sources: Statistics Canada and Bank of Canada.

Table 8 **G-7, Real Gross Domestic Product Growth, 1985-1998**

	1985	1986	1987	1988	1989	1990	1991
	(per cent)						
Canada	5.4	2.6	4.1	4.9	2.5	0.3	-1.9
France	1.9	2.5	2.3	4.5	4.3	2.5	0.8
Germany	2.0	2.3	1.5	3.7	3.6	5.7	5.0
Italy	2.8	2.8	3.1	3.9	2.9	2.2	1.1
Japan	4.4	2.9	4.2	6.2	4.8	5.1	3.8
United Kingdom	3.8	4.2	4.4	5.2	2.1	0.6	-1.5
United States	3.9	3.4	3.5	4.2	3.5	1.7	-0.2

Table 8 (continued)

	1992	1993	1994	1995	1996	1997	1998
	(per cent)						
Canada	0.9	2.3	4.7	2.8	1.7	4.0	3.1
France	1.2	-1.3	2.8	2.1	1.6	2.3	3.2
Germany	2.2	-1.2	2.7	1.2	1.3	2.2	2.8
Italy	0.6	-1.2	2.2	2.9	0.9	1.5	1.4
Japan	1.0	0.3	0.6	1.5	5.1	1.4	-2.8
United Kingdom	0.1	2.3	4.4	2.8	2.6	3.5	2.1
United States	3.3	2.4	4.0	2.7	3.7	4.5	4.3

Sources: OECD, U.S. Department of Commerce and Statistics Canada.

Table 9 **G-7, Employment Growth, 1985-1998**

(per cent)

	1985	1986	1987	1988	1989	1990	1991
Canada	3.0	3.0	2.7	3.2	2.1	0.6	-1.9
France	-0.1	0.5	0.4	1.0	1.5	0.8	0.0
Germany	0.7	1.4	0.7	0.8	1.5	3.0	2.5
Italy	0.3	0.4	-0.3	0.5	-0.1	1.2	0.7
Japan	0.7	0.8	1.0	1.7	1.9	2.0	1.9
United Kingdom	1.1	0.1	2.6	4.3	2.4	0.3	-3.0
United States	2.0	2.3	2.6	2.2	2.1	1.2	-0.9

Table 9 (continued)

(per cent)

	1992	1993	1994	1995	1996	1997	1998
Canada	-0.6	1.3	2.1	1.6	1.3	1.9	2.8
France	-0.6	-1.2	0.1	0.8	0.1	0.4	1.4
Germany	-1.8	-1.7	-0.7	-0.4	-1.3	-1.3	0.0
Italy	-0.9	-2.5	-1.7	-0.6	0.4	0.0	0.4
Japan	1.1	0.2	0.1	0.1	0.4	1.1	-0.6
United Kingdom	-2.1	-0.4	1.0	1.2	1.1	1.6	1.4
United States	0.7	1.5	2.3	1.5	1.4	2.2	1.5

Sources: OECD, U.S. Bureau of Labor Statistics and Statistics Canada.

Table 10 **G-7, Unemployment Rates, 1985-1998**

	1985	1986	1987	1988	1989	1990	1991
	(per cent)						
Canada	10.5	9.6	8.9	7.8	7.5	8.1	10.4
France	10.2	10.4	10.5	10.0	9.3	8.9	9.4
Germany	8.0	7.7	7.6	7.6	6.9	6.2	6.7
Italy	8.6	9.9	10.2	10.5	10.2	9.1	8.6
Japan	2.6	2.8	2.8	2.5	2.3	2.1	2.1
United Kingdom	11.6	11.8	10.2	7.8	6.1	5.9	8.2
United States	7.2	7.0	6.2	5.5	5.3	5.6	6.8

Table 10 (continued)

	1992	1993	1994	1995	1996	1997	1998
	(per cent)						
Canada	11.3	11.2	10.4	9.5	9.7	9.2	8.3
France	10.4	11.7	12.2	11.6	12.3	12.4	11.8
Germany	7.7	8.8	9.6	9.4	10.3	11.4	11.2
Italy	8.8	10.2	11.3	12.0	12.1	12.3	12.2
Japan	2.2	2.5	2.9	3.1	3.4	3.4	4.1
United Kingdom	10.2	10.3	9.4	8.6	8.0	6.9	6.2
United States	7.5	6.9	6.1	5.6	5.4	4.9	4.5

Sources: OECD, U.S. Bureau of Labor Statistics and Statistics Canada.

Table 11 **G-7, CPI Inflation Rates, 1985-1998**

(per cent)

	1985	1986	1987	1988	1989	1990	1991
Canada	4.0	4.1	4.4	4.0	5.0	4.8	5.6
France	5.8	2.5	3.3	2.7	3.5	3.6	3.2
Germany	2.1	-0.1	0.2	1.3	2.8	2.7	3.6
Italy	8.6	6.1	4.6	5.0	6.6	6.1	6.5
Japan	2.0	0.6	0.1	0.7	2.3	3.1	3.3
United Kingdom	6.1	3.4	4.1	4.9	7.8	9.5	5.9
United States	3.6	1.9	3.6	4.1	4.8	5.4	4.2

Table 11 (continued)

(per cent)

	1992	1993	1994	1995	1996	1997	1998
Canada	1.5	1.8	0.2	2.2	1.6	1.6	0.9
France	2.4	2.1	1.7	1.8	2.0	1.2	0.8
Germany	5.1	4.4	2.8	1.7	1.4	1.9	0.9
Italy	5.3	4.2	3.9	5.4	3.8	1.8	1.7
Japan	1.7	1.2	0.7	-0.1	0.1	1.7	0.6
United Kingdom	3.7	1.6	2.5	3.4	2.4	3.1	3.4
United States	3.0	3.0	2.6	2.8	3.0	2.3	1.6

Sources: OECD, U.S. Bureau of Labor Statistics and Statistics Canada.

Table 12 **G-7, Exchange Rates, 1985-1998**

	(Foreign currency per Canadian dollar)						
	1985	1986	1987	1988	1989	1990	1991
France	6.536	4.975	4.525	4.831	5.376	4.651	4.902
Germany	2.137	1.555	1.353	1.422	1.585	1.381	1.441
Italy	1388.9	1063.8	980.4	1052.6	1162.8	1020.4	1075.3
Japan	173.3	120.5	108.8	104.1	116.3	123.5	117.2
United Kingdom	0.565	0.491	0.460	0.456	0.515	0.480	0.493
United States	0.732	0.720	0.754	0.812	0.845	0.857	0.873

Table 12 (continued)

	(Foreign currency per Canadian dollar)						
	1992	1993	1994	1995	1996	1997	1998
France	4.367	4.386	4.050	3.631	3.750	4.211	3.968
Germany	1.289	1.280	1.184	1.043	1.103	1.251	1.183
Italy	1020.4	1219.5	1176.5	1186.2	1131.2	1228.5	1168.2
Japan	104.7	85.8	74.7	68.0	79.7	87.3	87.8
United Kingdom	0.469	0.516	0.478	0.461	0.470	0.441	0.407
United States	0.827	0.775	0.732	0.729	0.733	0.722	0.674

Note: All data are annual averages.

Source: Bank of Canada.

Table 13 **Ontario, International Merchandise Exports by Major Commodity[1], 1998**

	Value ($ millions)	Per cent of total
Motor Vehicles, Parts and Accessories	63,925	37.2
Machinery and Mechanical Appliances	22,673	13.2
Electrical Machinery and Equipment	8,841	5.1
Non-Ferrous Metals and Allied Products	6,327	3.7
Pulp; Paper and Allied Products	5,472	3.2
Plastics and Plastic Articles	5,471	3.2
Furniture and Fixtures, Signs, Prefabricated Buildings	4,648	2.7
Precious Metals, Stones and Coins	3,746	2.2
Prepared Foodstuffs, Beverages and Tobacco	3,541	2.1
Articles of Iron and Steel	3,124	1.8
Other Chemical Products	2,803	1.6
Iron and Steel	2,739	1.6
Wood and Wood Products	2,713	1.6
Scientific, Professional and Photo Equipment, Clocks	2,364	1.4
Aircraft, Spacecraft and Parts	2,015	1.2
Railway, Rolling Stock and Parts	1,996	1.2
Mineral Products	1,918	1.1
Rubber and Rubber Articles	1,778	1.0
Articles of Stone, Cement, Ceramic and Glass	1,476	0.9
Textiles and Textile Articles	1,370	0.8
Vegetable Products; Fats and Oils	1,341	0.8
Inorganic Chemicals; Chemical Elements and Compounds	1,310	0.8
Live Animals; Animal Products	1,238	0.7
Organic Chemicals	968	0.6
Pharmaceutical Products	886	0.5
Printed Matter	743	0.4
Apparel and Clothing Accessories	712	0.4
Toys, Games and Sports Equipment	480	0.3
Hides, Leather, Travel Goods and Furs	327	0.2
Miscellaneous Articles; Works of Art	247	0.1
Other Textile and Clothing Articles	133	0.1
Footwear	100	0.1
Ships, Boats and Floating Structures	45	0.0
Headgear, Umbrellas, Artificial Flowers	33	0.0
Other Commodities[2]	14,367	8.4
Total Exports	**171,870**	**100.0**

Notes: 1. Ontario Ministry of Economic Development and Trade definition of product groupings based on two-digit Harmonized System Codes. Data are customs based.

2. Other Commodities includes re-exports and special transactions.

Sources: Statistics Canada and Ontario Ministry of Economic Development and Trade.

Table 14 **Ontario, International Merchandise Imports by Major Commodity[1], 1998**

	Value ($ millions)	Per cent of total
Motor Vehicles, Parts and Accessories	43,315	22.3
Machinery and Mechanical Appliances	40,522	20.8
Electrical Machinery and Equipment	23,671	12.2
Scientific, Professional and Photo Equipment, Clocks	7,225	3.7
Plastics and Plastic Articles	6,910	3.6
Non-Ferrous Metals and Allied Products	6,719	3.5
Other Chemical Products	6,448	3.3
Prepared Foodstuffs, Beverages and Tobacco	4,472	2.3
Articles of Iron and Steel	3,876	2.0
Pulp; Paper and Allied Products	3,670	1.9
Vegetable Products; Fats and Oils	3,445	1.8
Iron and Steel	3,369	1.7
Furniture and Fixtures, Signs, Prefabricated Buildings	3,252	1.7
Rubber and Rubber Articles	2,996	1.5
Mineral Products	2,985	1.5
Organic Chemicals	2,905	1.5
Textiles and Textile Articles	2,825	1.5
Articles of Stone, Cement, Ceramic and Glass	2,635	1.4
Pharmaceutical Products	2,424	1.2
Printed Matter	2,383	1.2
Apparel and Clothing Accessories	1,964	1.0
Precious Metals, Stones and Coins	1,935	1.0
Toys, Games and Sports Equipment	1,751	0.9
Aircraft, Spacecraft and Parts	1,706	0.9
Live Animals; Animal Products	1,382	0.7
Wood and Wood Products	1,110	0.6
Railway, Rolling Stock and Parts	1,041	0.5
Inorganic Chemicals; Chemical Elements and Compounds	904	0.5
Footwear	730	0.4
Hides, Leather, Travel Goods and Furs	649	0.3
Miscellaneous Articles; Works of Art	619	0.3
Other Textile and Clothing Articles	468	0.2
Ships, Boats and Floating Structures	181	0.1
Headgear, Umbrellas, Artificial Flowers	121	0.1
Other Commodities[2]	3,841	2.0
Total Imports	**194,452**	**100.0**

Notes: 1. Ontario Ministry of Economic Development and Trade definition of product groupings based on two-digit Harmonized System Codes. Data are customs based.

2. Other Commodities includes trans-shipments from one province to another through a foreign jurisdiction and special transactions.

Sources: Statistics Canada and Ontario Ministry of Economic Development and Trade.

Table 15 **Ontario, International Merchandise Trade by Major Region, 1998**

	Exports ($ millions)	Per cent of total	Imports ($ millions)	Per cent of total
United States	158,455	92.2	148,182	76.2
Western Europe	6,547	3.8	13,112	6.7
European Union	5,251	3.1	12,321	6.3
Other Western Europe	1,296	0.8	791	0.4
Eastern Europe	432	0.3	706	0.4
Asia	3,268	1.9	20,709	10.6
Pacific Rim	3,094	1.8	20,123	10.3
Other Asia	174	0.1	586	0.3
Caribbean	423	0.2	176	0.1
Latin America	1,952	1.1	8,312	4.3
Mexico	556	0.3	6,311	3.2
Middle East	437	0.3	455	0.2
Africa	296	0.2	395	0.2
Statistical Discrepancy	59	0.0	2,406	1.2
Total	**171,870**	**100.0**	**194,452**	**100.0**

Note: Data are customs based, and include re-exports.

Sources: Statistics Canada and Ontario Ministry of Economic Development and Trade.

Table 16 **Canada, International Merchandise Trade by Major Region, 1998**

	Exports ($ millions)	Per cent of total	Imports ($ millions)	Per cent of total
United States	269,926	84.7	203,561	68.2
Western Europe	18,020	5.7	32,223	10.8
European Union	16,211	5.1	28,448	9.5
Other Western Europe	1,809	0.6	3,775	1.3
Eastern Europe	816	0.3	1,506	0.5
Asia	19,401	6.1	39,897	13.4
Pacific Rim	18,687	5.9	38,425	12.9
Other Asia	714	0.2	1,472	0.5
Caribbean	1,006	0.3	828	0.3
Latin America	5,458	1.7	12,135	4.1
Mexico	1,454	0.5	7,671	2.6
Middle East	1,564	0.5	1,350	0.5
Africa	2,125	0.7	2,021	0.7
Statistical Discrepancy	207	0.1	5,024	1.7
Total	**318,523**	**100.0**	**298,545**	**100.0**

Note: Data are customs based.

Sources: Statistics Canada and Ontario Ministry of Economic Development and Trade.

Table 17 **Ontario, Selected Demographic Characteristics, 1976-2016[1]**

	Estimates[2]			Projections[3]	
	1976	1986	1996	2006	2016
Total Population (000s)	8,414	9,438	11,101	12,487	13,716
Annual Average Growth Over Preceding Decade (%)	1.7	1.2	1.6	1.2	0.9
Median Age (Years)	28.5	31.9	35.0	38.6	40.9
Age Group Shares (%)					
0-14	24.9	20.3	20.3	17.6	15.5
15-24	19.1	17.1	13.2	13.4	12.5
25-44	27.6	32.1	33.0	29.7	27.7
45-64	19.6	19.8	21.3	26.1	28.5
65-74	5.5	6.5	7.3	6.9	9.0
75+	3.4	4.2	5.0	6.3	6.8
Total Fertility Rate	1.8	1.6	1.6	1.5	1.5
Life Expectancy (Years)					
Male	70.8	73.8	75.9	77.2	80.3
Female	78.0	80.0	81.3	82.4	83.9
Families (000s)[4]	2,147	2,516	2,933	3,628	4,227
Households (000s)[4]	2,688	3,355	3,925	4,916	5,774

Notes: 1. Population figures are for July (Census year).

2. Estimates are based on the 1996 Census adjusted for net Census undercoverage.

3. Projections by Statistics Canada based on the 1996 Census except for families and households that are based on the 1991 Census.

4. Estimates of families and households are Census data.

Source: Statistics Canada.

Table 18 **Ontario, Components of Population Growth, 1989-90 - 1998-99[1]**

	(thousands)				
	1989-90	1990-91	1991-92	1992-93	1993-94
Population at Beginning of Period	**10,109.8**	**10,299.6**	**10,427.6**	**10,570.5**	**10,690.4**
Births	150.1	150.6	152.1	148.7	147.1
Deaths	71.3	71.5	73.6	74.6	77.3
Immigrants	108.6	113.9	128.3	145.0	119.6
Emigrants	16.7	18.6	19.5	18.6	19.2
Interprovincial Arrivals	84.1	73.8	70.8	66.4	64.6
Interprovincial Departures	94.3	84.7	81.9	80.6	74.0
Net Non-Permanent Residents	20.0	-43.4	-21.7	-54.4	-12.0
Population Growth During Period	189.8	128.1	142.9	120.0	137.1
Population at End of Period [2]	**10,299.6**	**10,427.6**	**10,570.5**	**10,690.4**	**10,827.5**
Population Growth (%)	1.9	1.2	1.4	1.1	1.3

Table 18 (continued)

	(thousands)				
	1994-95	1995-96	1996-97	1997-98	1998-99
Population at Beginning of Period	**10,827.5**	**10,964.9**	**11,100.9**	**11,262.5**	**11,414.3**
Births	147.2	143.1	136.3	132.7	131.8
Deaths	78.2	77.7	80.4	80.8	83.2
Immigrants	119.8	115.4	119.6	106.7	91.9
Emigrants	19.9	20.0	21.0	21.1	21.8
Interprovincial Arrivals	66.9	69.1	70.0	75.2	82.9
Interprovincial Departures	69.7	71.9	68.0	66.0	65.9
Net Non-Permanent Residents	-16.9	-12.2	-4.4	-5.0	0.8
Population Growth During Period	137.4	136.0	161.7	151.8	146.6
Population at End of Period [2]	**10,964.9**	**11,100.9**	**11,262.5**	**11,414.3**	**11,560.9**
Population Growth (%)	1.3	1.2	1.5	1.3	1.3

Notes: 1. Data are from July 1 to June 30 (Census year).

2. The sum of the components does not equal the total change in population due to residual errors in estimation and the exclusion of returning Canadians.

Source: Statistics Canada, Intercensal and Postcensal Estimates and Components of Change.

Table 19 **Ontario, Labour Force, 1985-1998**

	1985	1986	1987	1988	1989	1990	1991
Labour Force (000s)	5,012	5,133	5,272	5,408	5,521	5,577	5,582
Participation Rate (%)							
Male	79.1	79.4	79.4	79.1	79.3	78.2	76.5
Female	58.6	59.1	60.2	61.4	61.7	61.8	61.2
Share of Labour Force (%)							
Youth (15-24)	23.4	23.0	22.3	21.2	20.4	19.4	18.5
Older Worker (45+)	26.8	25.9	26.1	26.2	26.1	26.4	26.5

Table 19 (continued)	1992	1993	1994	1995	1996	1997	1998
Labour Force (000s)	5,610	5,692	5,707	5,732	5,839	5,915	6,050
Participation Rate (%)							
Male	75.5	75.0	73.9	73.1	73.1	73.3	73.3
Female	60.2	60.0	59.3	58.7	59.2	58.7	59.7
Share of Labour Force (%)							
Youth (15-24)	17.9	17.0	16.4	16.1	15.8	15.7	15.5
Older Worker (45+)	27.5	28.1	28.8	28.9	29.5	30.0	30.6

Source: Statistics Canada.

Table 20 **Ontario, Employment, 1985-1998**

	1985	1986	1987	1988	1989	1990	1991
Total Employment (000s)	4,608	4,772	4,951	5,136	5,241	5,226	5,044
Male	2,613	2,703	2,789	2,857	2,905	2,866	2,736
Female	1,995	2,069	2,162	2,279	2,336	2,360	2,307
Net Job Creation (000s)	165	164	180	185	105	-15	-182
Private-Sector Employment (000s)	N/A	N/A	4,032	4,174	4,279	4,240	4,015
Broader Public Sector Employment (000s)[1]	N/A	N/A	919	962	962	986	1,029
Manufacturing Employment (% of total)	N/A	N/A	21.3	20.3	19.7	18.7	17.7
Services Employment (% of total)	N/A	N/A	68.4	69.4	69.2	70.7	72.3
Part-time (% of total)	16.8	16.5	16.3	16.6	16.6	17.1	18.3
Average Hours Worked Per Week[2]	37.7	37.7	37.8	38.3	38.6	38.2	37.3

Table 20 (continued)

	1992	1993	1994	1995	1996	1997	1998
Total Employment (000s)	5,001	5,089	5,160	5,231	5,311	5,413	5,613
Male	2,700	2,759	2,800	2,844	2,881	2,963	3,041
Female	2,300	2,330	2,360	2,388	2,430	2,450	2,572
Net Job Creation (000s)	-43	88	71	71	79	102	200
Private-Sector Employment (000s)	3,945	4,006	4,082	4,197	4,282	4,407	4,561
Broader Public Sector Employment (000s)[1]	1,056	1,082	1,078	1,034	1,028	1,006	1,051
Manufacturing Employment (% of total)	16.8	16.6	16.7	17.6	17.7	17.8	18.1
Services Employment (% of total)	73.5	74.0	74.0	73.6	73.4	73.4	73.2
Part-time (% of total)	18.5	19.4	18.8	18.5	19.1	19.1	18.5
Average Hours Worked Per Week[2]	36.7	37.3	37.7	37.3	37.7	37.9	37.9

Notes: 1. Broader Public Sector includes Public Administration, Health Care and Social Assistance, and Educational Services, except for certain private-sector components such as offices of health practitioners and some private-sector educational institutions. Industry groupings are based on the North American Industry Classification System (NAICS).

2. Average actual hours worked per week at all jobs, excluding persons not at work.

Sources: Statistics Canada and Ontario Ministry of Finance.

Table 21

Ontario, Unemployment, 1985-1998

	1985	1986	1987	1988	1989	1990	1991
Total Unemployment (000s)	404	361	321	272	281	351	538
Unemployment Rate (%)	8.1	7.0	6.1	5.0	5.1	6.3	9.6
Male	7.7	6.7	5.5	4.6	4.8	6.3	10.2
Female	8.5	7.5	6.9	5.6	5.5	6.3	9.0
Toronto CMA	N/A	N/A	4.5	3.7	4.0	5.3	9.7
Northern Ontario	N/A	N/A	9.7	7.9	7.5	8.2	11.4
Youth (15-24)	13.0	11.5	9.7	8.1	7.9	10.4	15.3
Older Workers (45+)	5.5	4.7	4.4	3.5	3.3	4.0	6.8
Unemployment (% of total)							
Long-Term (27 weeks+)	19.6	18.0	16.7	12.6	13.0	13.7	22.6
Youth (15-24)	37.8	37.5	35.4	34.3	31.8	32.1	29.5
Older Workers (45+)	18.2	17.1	18.9	18.0	17.1	16.8	18.8
Average Duration (weeks)[1]	17.8	16.5	16.0	13.3	13.4	13.8	18.6
Youth (15-24)	12.5	12.5	10.9	8.7	8.5	10.2	13.6
Older Workers (45+)	23.6	23.6	22.2	19.9	19.2	18.9	22.8

Table 21 (continued)	1992	1993	1994	1995	1996	1997	1998
Total Unemployment (000s)	609	604	547	501	529	502	437
Unemployment Rate (%)	10.9	10.6	9.6	8.7	9.1	8.5	7.2
Male	11.9	11.2	9.9	8.8	8.9	8.1	7.1
Female	9.6	9.9	9.2	8.7	9.2	9.0	7.4
Toronto CMA	11.4	11.0	10.3	8.5	9.1	8.0	7.0
Northern Ontario	12.7	12.1	11.6	9.9	10.7	10.4	11.1
Youth (15-24)	18.2	17.9	16.4	15.4	15.6	16.7	14.6
Older Workers (45+)	7.5	7.3	6.9	6.4	6.3	6.0	5.3
Unemployment (% of total)							
Long-Term (27 weeks+)	29.8	33.4	32.4	29.3	28.2	25.5	21.9
Youth (15-24)	29.9	28.7	28.0	28.4	27.1	30.8	31.3
Older Workers (45+)	19.0	19.3	20.8	21.1	20.5	21.1	22.6
Average Duration (weeks)[1]	23.3	26.8	27.6	25.8	24.7	26.6	23.3
Youth (15-24)	16.8	18.6	18.2	16.6	15.6	13.9	12.8
Older Workers (45+)	29.7	33.8	34.9	33.2	31.1	42.3	39.4

Note: 1. Prior to 1997, unemployment of 100 or more weeks was recorded as 99 due to data processing limitations. This restriction was removed for data after 1996.

Source: Statistics Canada.

Table 22 **Ontario, Employment Insurance (EI) and Social Assistance, 1985-1998**

	1985	1986	1987	1988	1989	1990	1991
EI Regular Beneficiaries (000s)	247	221	190	172	167	225	319
Maximum Weekly Insurable Earnings ($)	460	495	530	565	605	640	680
Maximum Weekly Entitlement ($)	276	297	318	339	363	384	408
Premium Rate							
Employer ($/$100 Insurable Earnings)	3.29	3.29	3.29	3.29	2.73	3.15	3.15/3.92 [2]
Employee ($/$100 Insurable Earnings)	2.35	2.35	2.35	2.35	1.95	2.25	2.25/2.80 [2]
Total Benefits Paid to Ontario ($ millions)[3]	2,551	2,483	2,387	2,370	2,470	3,419	5,362
Premiums Paid from Ontario ($ millions)[3]	3,574	3,946	4,379	4,804	4,346	5,281	6,058
Social Assistance Caseload (000s)[4]	261	268	279	289	307	366	499

Table 22 (continued)

	1992	1993	1994	1995	1996	1997	1998
EI Regular Beneficiaries (000s)	322	294	228	181	180	147	125
Maximum Weekly Insurable Earnings ($)	710	745	780	815	750	39,000[1]	39,000[1]
Maximum Weekly Entitlement ($)	426	425	429	448	413	413	413
Premium Rate							
Employer ($/$100 Insurable Earnings)	4.20	4.20	4.30	4.20	4.13	4.06	3.78
Employee ($/$100 Insurable Earnings)	3.00	3.00	3.07	3.00	2.95	2.90	2.70
Total Benefits Paid to Ontario ($ millions)[3]	5,845	5,406	4,511	3,796	3,653	3,436	3,141
Premiums Paid from Ontario ($ millions)[3]	7,279	7,400	7,797	7,997	7,555	7,980	7,746
Social Assistance Caseload (000s)[4]	608	660	673	660	600	568	525

Notes: 1. Effective January 1, 1997, the maximum weekly insurable earnings of $750 was eliminated and replaced with an annual maximum set at $39,000.

2. Premium rates for 1991 changed at mid-year.

3. Employment Insurance benefit payments are on a cash basis; premiums are paid on an accrual basis.

4. Figures for 1998 include Ontario Works (OW) and Ontario Disability Support Program (ODSP) cases. The *Ontario Works Act* was proclaimed in May 1998 and replaced the *General Welfare Act*. The *Ontario Disability Support Program Act* was proclaimed in June 1998.

Sources: Statistics Canada, Human Resources Development Canada, Chief Actuary's Report on EI Premium Rates for 2000 and Ontario Ministry of Community and Social Services.

Table 23 **Ontario, Labour Compensation, 1985-1998**

	1985	1986	1987	1988	1989	1990	1991
Average Weekly Earnings($)[1]	414.47	433.35	453.80	477.70	505.11	526.81	553.92
Increase (%)	4.7	4.6	4.7	5.3	5.7	4.3	5.1
CPI Inflation (%)	4.1	4.4	5.0	4.8	5.7	4.9	4.7
AWE Increase Less CPI Inflation (%)	0.6	0.2	-0.3	0.5	0.0	-0.6	0.4
AWE - Manufacturing ($)	508.03	524.76	548.57	574.71	599.94	632.38	663.46
Increase (%)	5.4	3.3	4.5	4.8	4.4	5.4	4.9
Increase Less CPI Inflation (%)	1.3	-1.1	-0.5	0.0	-1.3	0.5	0.2
Wage Settlement Increases (%)[2]							
All Sectors	4.2	4.3	3.9	4.7	5.6	6.5	4.9
Public	4.8	4.6	4.6	4.7	5.8	6.8	5.0
Private	2.8	3.7	2.7	4.6	5.1	6.3	4.6
Person Days Lost Due to Strikes and Lockouts (000s)	1,232	941	1,109	1,362	869	2,958	454
Minimum Wage at Year End ($/hour)	4.00	4.35	4.55	4.75	5.00	5.40	6.00

Table 23 (continued)	1992	1993	1994	1995	1996	1997	1998
Average Weekly Earnings($)[1]	576.85	589.55	604.79	610.29	625.71	638.97	646.78
Increase (%)	4.1	2.2	2.6	0.9	2.5	2.1	1.2
CPI Inflation (%)	1.0	1.8	0.0	2.5	1.5	1.9	0.9
AWE Increase Less CPI Inflation (%)	3.1	0.4	2.6	-1.6	1.0	0.2	0.3
AWE - Manufacturing ($)	696.85	716.07	739.08	749.94	773.80	802.48	822.88
Increase (%)	5.0	2.8	3.2	1.5	3.2	3.7	2.5
Increase Less CPI Inflation (%)	4.0	1.0	3.2	-1.0	1.7	1.8	1.6
Wage Settlement Increases (%)[2]							
All Sectors	2.7	1.0	0.4	1.0	1.1	1.2	1.7
Public	2.7	0.5	0.1	0.2	0.3	0.7	1.3
Private	2.8	2.0	0.8	1.7	2.2	2.2	2.2
Person Days Lost Due to Strikes and Lockouts (000s)	578	371	488	477	1,915	1,904	1,061
Minimum Wage at Year End ($/hour)	6.35	6.35	6.70	6.85	6.85	6.85	6.85

Notes: 1. Average Weekly Earnings (AWE) includes overtime.
2. Wage settlement increases are for collective agreements covering 200 or more employees.

Sources: Statistics Canada, Ontario Ministry of Labour and Ontario Ministry of Finance.

Table 24 Ontario, Employment by Occupation, 1987-1998

	(thousands)					
	1987	1988	1989	1990	1991	1992
Management	504	549	524	554	569	555
Business, Finance & Administrative	964	1,046	1,073	1,071	1,005	1,012
Natural & Applied Sciences	239	234	250	253	264	254
Health	219	234	231	224	250	246
Social Science, Education, Government Service & Religion	278	289	297	312	322	344
Art, Culture, Recreation & Sport	119	140	139	136	125	133
Sales & Service	1,152	1,196	1,199	1,230	1,192	1,206
Trades, Transport & Equipment Operators	797	763	816	790	722	688
Primary Industry	154	154	159	150	145	144
Processing, Manufacturing & Utilities	526	531	552	505	450	419
Total	**4,951**	**5,136**	**5,241**	**5,226**	**5,044**	**5,001**

Table 24 (continued)

	(thousands)					
	1993	1994	1995	1996	1997	1998
Management	586	568	617	607	612	614
Business, Finance & Administrative	982	989	994	978	965	1,010
Natural & Applied Sciences	253	260	282	278	303	336
Health	264	261	254	253	263	267
Social Science, Education, Government Service & Religion	347	381	339	344	347	364
Art, Culture, Recreation & Sport	145	156	144	153	149	161
Sales & Service	1,248	1,237	1,267	1,299	1,328	1,369
Trades, Transport & Equipment Operators	691	710	726	744	776	793
Primary Industry	155	146	139	147	146	143
Processing, Manufacturing & Utilities	418	453	470	508	525	556
Total	**5,089**	**5,160**	**5,231**	**5,311**	**5,413**	**5,613**

Note: Occupation groupings based on 1991 Standard Occupational Classification.

Source: Statistics Canada.

Table 25 **Ontario, Distribution of Employment by Occupation, 1987-1998**

	1987	1988	1989	1990	1991	1992
	(per cent)					
Management	10.2	10.7	10.0	10.6	11.3	11.1
Business, Finance & Administrative	19.5	20.4	20.5	20.5	19.9	20.2
Natural & Applied Sciences	4.8	4.6	4.8	4.8	5.2	5.1
Health	4.4	4.6	4.4	4.3	4.9	4.9
Social Science, Education, Government Service & Religion	5.6	5.6	5.7	6.0	6.4	6.9
Art, Culture, Recreation & Sport	2.4	2.7	2.7	2.6	2.5	2.7
Sales & Service	23.3	23.3	22.9	23.5	23.6	24.1
Trades, Transport & Equipment Operators	16.1	14.9	15.6	15.1	14.3	13.8
Primary Industry	3.1	3.0	3.0	2.9	2.9	2.9
Processing, Manufacturing & Utilities	10.6	10.3	10.5	9.7	8.9	8.4
Total	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**

Table 25 (continued)

	1993	1994	1995	1996	1997	1998
	(per cent)					
Management	11.5	11.0	11.8	11.4	11.3	10.9
Business, Finance & Administrative	19.3	19.2	19.0	18.4	17.8	18.0
Natural & Applied Sciences	5.0	5.0	5.4	5.2	5.6	6.0
Health	5.2	5.1	4.8	4.8	4.9	4.8
Social Science, Education, Government Service & Religion	6.8	7.4	6.5	6.5	6.4	6.5
Art, Culture, Recreation & Sport	2.9	3.0	2.7	2.9	2.8	2.9
Sales & Service	24.5	24.0	24.2	24.5	24.5	24.4
Trades, Transport & Equipment Operators	13.6	13.8	13.9	14.0	14.3	14.1
Primary Industry	3.0	2.8	2.7	2.8	2.7	2.5
Processing, Manufacturing & Utilities	8.2	8.8	9.0	9.6	9.7	9.9
Total	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**

Note: Occupation groupings based on 1991 Standard Occupational Classification.

Source: Statistics Canada.

Table 26 **Ontario, Employment by Industry, 1989-1998**

	(thousands)				
	1989	1990	1991	1992	1993
Goods Producing Industries	**1,613**	**1,533**	**1,396**	**1,326**	**1,322**
Primary Industries	173	164	159	156	158
Agriculture	114	104	105	108	117
Manufacturing	1,035	977	895	843	846
Construction	344	341	287	268	268
Utilities	61	52	55	59	50
Services Producing Industries	**3,628**	**3,692**	**3,648**	**3,675**	**3,767**
Trade	808	835	788	786	781
Transportation and Warehousing	241	232	225	222	216
Finance, Insurance, Real Estate & Leasing	360	379	364	372	379
Professional, Scientific & Technical Services	248	271	267	265	273
Management, Administrative & Other Support	147	145	150	146	149
Educational Services	316	319	333	342	351
Health Care & Social Assistance	451	454	484	495	514
Information, Culture & Recreation	236	217	211	215	227
Accommodation & Food Services	296	296	292	295	301
Public Administration	298	306	313	317	329
Other Services	228	238	221	219	247
Total Employment	**5,241**	**5,226**	**5,044**	**5,001**	**5,089**

Table 26 (continued) **Ontario, Employment by Industry, 1989-1998**

	(thousands)				
	1994	1995	1996	1997	1998
Goods Producing Industries	**1,342**	**1,383**	**1,415**	**1,443**	**1,502**
Primary Industries	152	152	158	144	147
Agriculture	111	102	110	102	108
Manufacturing	860	919	940	966	1,017
Construction	281	263	264	285	289
Utilities	50	49	53	48	49
Services Producing Industries	**3,818**	**3,848**	**3,896**	**3,970**	**4,111**
Trade	789	789	817	832	834
Transportation and Warehousing	235	244	249	259	263
Finance, Insurance, Real Estate & Leasing	356	379	352	373	384
Professional, Scientific & Technical Services	303	315	322	350	384
Management, Administrative & Other Support	156	167	183	195	213
Educational Services	363	348	336	347	349
Health Care & Social Assistance	513	512	515	495	542
Information, Culture & Recreation	238	245	241	256	249
Accommodation & Food Services	297	314	327	325	329
Public Administration	319	291	292	285	291
Other Services	250	245	260	254	273
Total Employment	**5,160**	**5,231**	**5,311**	**5,413**	**5,613**

Note: Industrial groupings based on North American Industry Classification System (NAICS).

Source: Statistics Canada.

Table 27 **Ontario, Employment by Labour Force Survey Regions, 1988-1999**

	1988	1989	1990	1991	1992	1993
	(thousands)					
Ontario	**5,136**	**5,241**	**5,226**	**5,044**	**5,001**	**5,089**
Region:						
East	**698**	**694**	**698**	**693**	**691**	**701**
Ottawa (510)	518	514	521	517	514	516
Kingston-Pembroke (515)	179	180	177	177	177	185
Greater Toronto Area (530)[1]	**2,219**	**2,273**	**2,254**	**2,136**	**2,118**	**2,153**
Central	**1,172**	**1,197**	**1,211**	**1,172**	**1,164**	**1,171**
Muskoka-Kawarthas (520)	142	139	140	137	143	142
Kitchener-Waterloo-Barrie (540)	436	456	453	451	455	466
Hamilton-Niagara Peninsula (550)	594	602	618	584	567	563
Southwest	**687**	**708**	**689**	**686**	**685**	**708**
London (560)	270	281	281	283	280	293
Windsor-Sarnia (570)	281	284	270	265	268	273
Stratford-Bruce Peninsula (580)	136	143	138	138	137	142
North	**361**	**367**	**373**	**356**	**343**	**356**
Northeast (590)	248	257	260	246	236	247
Northwest (595)	114	111	112	110	107	109

Table 27 (continued)

	1994	1995	1996	1997	1998	1999*
	(thousands)					
Ontario	**5,160**	**5,231**	**5,311**	**5,413**	**5,613**	**5,773**
Region:						
East	**724**	**697**	**708**	**718**	**763**	**779**
Ottawa (510)	538	519	533	540	569	573
Kingston-Pembroke (515)	186	179	175	178	194	206
Greater Toronto Area (530)[1]	**2,145**	**2,227**	**2,257**	**2,346**	**2,432**	**2,503**
Central	**1,210**	**1,228**	**1,251**	**1,265**	**1,314**	**1,350**
Muskoka-Kawarthas (520)	144	156	158	159	160	168
Kitchener-Waterloo-Barrie (540)	482	480	493	508	529	553
Hamilton-Niagara Peninsula (550)	584	592	601	597	625	628
Southwest	**724**	**702**	**721**	**724**	**736**	**762**
London (560)	298	294	290	293	298	306
Windsor-Sarnia (570)	278	273	282	279	289	298
Stratford-Bruce Peninsula (580)	149	135	149	152	150	157
North	**357**	**376**	**374**	**362**	**367**	**380**
Northeast (590)	245	257	258	251	256	261
Northwest (595)	112	119	116	110	111	118

* Average based on first 10 months only, calculated by Ontario Ministry of Finance.
Standard deviations vary significantly across regions, decreasing as the size of the region increases.

Note: 1. Labour Force Survey region of Toronto (530) closely matches the GTA, except that it excludes the city of Burlington.

Sources: Statistics Canada and Ontario Ministry of Finance.

Table 28

Ontario, Employment by Industry for Labour Force Survey Regions, 1998

	(thousands)			
	All Industries	Agriculture	Resources[1]	Manu-facturing
Ontario	**5,613**	**108**	**39**	**1,017**
Region:				
East	**763**	**17**	**3**	**82**
Ottawa (510)	569	10	2	55
Kingston-Pembroke (515)	194	7	..	27
Greater Toronto Area (530)	**2,432**	**6**	**6**	**460**
Central	**1,314**	**37**	**4**	**280**
Muskoka-Kawarthas (520)	160	5	..	27
Kitchener-Waterloo-Barrie (540)	529	15	..	125
Hamilton-Niagara Peninsula (550)	625	17	2	128
Southwest	**736**	**44**	**3**	**153**
London (560)	298	14	..	54
Windsor-Sarnia (570)	289	9	..	78
Stratford-Bruce Peninsula (580)	150	22	..	22
North	**367**	**4**	**24**	**41**
Northeast (590)	256	2	18	26
Northwest (595)	111	2	5	15

Table 28 (continued)

	(thousands)			
	Construction	Distributive[2]	Finance, Prof. & Mgmt.[3]	Info., Culture & Recreation[4]
Ontario	**289**	**492**	**981**	**249**
Region:				
East	**35**	**49**	**127**	**36**
Ottawa (510)	26	32	101	31
Kingston-Pembroke (515)	9	17	27	5
Greater Toronto Area (530)	**116**	**228**	**552**	**128**
Central	**78**	**114**	**179**	**48**
Muskoka-Kawarthas (520)	11	16	22	6
Kitchener-Waterloo-Barrie (540)	33	42	75	19
Hamilton-Niagara Peninsula (550)	34	56	82	23
Southwest	**40**	**67**	**90**	**24**
London (560)	14	27	46	8
Windsor-Sarnia (570)	16	21	30	12
Stratford-Bruce Peninsula (580)	9	19	14	3
North	**21**	**34**	**33**	**12**
Northeast (590)	16	23	23	8
Northwest (595)	5	11	10	4

Table 28 (continued) **Ontario, Employment by Industry for Labour Force Survey Regions, 1998**

	(thousands)		
	Retail Trade	Personal Services[5]	Education
Ontario	**654**	**602**	**349**
Region:			
East	**89**	**87**	**55**
Ottawa (510)	65	64	39
Kingston-Pembroke (515)	24	23	16
Greater Toronto Area (530)	**263**	**236**	**136**
Central	**164**	**145**	**86**
Muskoka-Kawarthas (520)	20	18	11
Kitchener-Waterloo-Barrie (540)	62	55	35
Hamilton-Niagara Peninsula (550)	82	72	39
Southwest	**89**	**80**	**43**
London (560)	38	30	19
Windsor-Sarnia (570)	34	33	17
Stratford-Bruce Peninsula (580)	17	17	7
North	**49**	**54**	**28**
Northeast (590)	34	39	21
Northwest (595)	14	15	7

Table 28 (continued)

	(thousands)	
	Health & Soc. Assistance	Public Administration
Ontario	**542**	**291**
Region:		
East	**81**	**100**
Ottawa (510)	57	87
Kingston-Pembroke (515)	24	14
Greater Toronto Area (530)	**211**	**91**
Central	**121**	**58**
Muskoka-Kawarthas (520)	15	8
Kitchener-Waterloo-Barrie (540)	45	22
Hamilton-Niagara Peninsula (550)	61	28
Southwest	**82**	**20**
London (560)	37	9
Windsor-Sarnia (570)	29	8
Stratford-Bruce Peninsula (580)	16	3
North	**46**	**22**
Northeast (590)	31	14
Northwest (595)	15	8

.. Employment numbers under 1,500 are suppressed because they are statistically unreliable.
See standard deviation and GTA note for Table 27.
Industrial groupings based on North American Industry Classification System (NAICS).

Notes:
1. Includes Forestry, Fishing, Mining, Oil and Gas.
2. Includes Transportation & Warehousing, Utilities and Wholesale Trade.
3. Includes Finance, Insurance, Real Estate & Leasing; Management, Administration & Other Support Services; and Professional, Scientific & Technical Services.
4. Information, Culture & Recreation includes industries such as Publishing, Motion Picture & Sound Recording, Broadcasting & Telecommunications, Information & Data Processing, Performing Arts, Spectator Sports, Heritage Institutions and Amusement, Gambling & Recreation.
5. Includes Accommodation & Food Services and Other Services (such as Repair, Personal and Religious).

Sources: Statistics Canada and Ontario Ministry of Finance.

Economic Regions by Census Division

East
Stormont, Dundas and Glengarry United Counties
Prescott and Russell United Counties
Ottawa-Carleton Regional Municipality
Leeds and Grenville United Counties
Lanark County
Frontenac
Lennox and Addington County
Hastings County*
County of Prince Edward
Renfrew County

Central
Northumberland County*
Peterborough County
Victoria County
Dufferin County
Wellington County
Hamilton-Wentworth Regional Municipality
Niagara Regional Municipality
Haldimand-Norfolk Regional Municipality
County of Brant**
Waterloo Regional Municipality
Simcoe County
Muskoka District Municipality
Haliburton County

North
Nipissing District
Parry Sound District
Manitoulin District
Sudbury District
Sudbury Regional Municipality
Timiskaming District
Cochrane District
Algoma District
Thunder Bay District
Rainy River District
Kenora District

Greater Toronto Area (GTA)
Durham Regional Municipality
York Regional Municipality
Peel Regional Municipality
Halton Regional Municipality
City of Toronto

Southwest
Perth County
Oxford County
Elgin County
Municipality of Chatham-Kent
Essex County
Lambton County
Middlesex County
Huron County
Bruce County
Grey County

* Murray Township (formerly part of Northumberland) has amalgamated with the City of Trenton, the Village of Frankford and the Township of Sidney in Hastings, and is now part of Hastings County census division.

** Formerly Brant County.

Ontario Labour Force Survey Regions[1]

East	
Ottawa (510)	The united counties of Stormont, Dundas and Glengarry, Prescott and Russell, Leeds and Grenville, the county of Lanark and the Ottawa-Carleton Regional Municipality
Kingston-Pembroke (515)	The counties of Lennox and Addington, Hastings[2], Renfrew, Prince Edward and the former county of Frontenac
Central	
Muskoka-Kawarthas (520)	The counties of Northumberland[2], Peterborough, Victoria, Haliburton, and the Muskoka District Municipality
Kitchener-Waterloo-Barrie (540)	The counties of Dufferin, Wellington, and Simcoe and the Waterloo Regional Municipality
Hamilton-Niagara Peninsula (550)	The county of Brant, the Regional Municipalities of Hamilton-Wentworth, Niagara, Haldimand-Norfolk and the city of Burlington in the Halton Regional Municipality
Greater Toronto Area[3]	
Toronto (530)	The City of Toronto (formerly the Municipality of Metropolitan Toronto), the Regional Municipalities of Durham, York, Peel and Halton (excluding the city of Burlington)
Southwest	
London (560)	The counties of Oxford, Elgin and Middlesex
Windsor-Sarnia (570)	The counties of Lambton and Essex and the former County of Kent
Stratford-Bruce Peninsula (580)	The counties of Perth, Huron, Bruce and Grey
North	
Northeast (590)	The districts of Nipissing, Parry Sound, Manitoulin, Sudbury, Timiskaming, Cochrane, Algoma, and the Sudbury Regional Municipality
Northwest (595)	The districts of Thunder Bay, Rainy River and Kenora

1. As defined by Statistics Canada.
2. Murray Township (now part of Hastings) is included in the Muskoka-Kawarthas Labour Force Survey Region instead of Kingston-Pembroke.
3. Labour Force Survey Region 530 closely matches the GTA, except that it excludes the city of Burlington.

General enquires regarding the
1999 Ontario Economic Outlook and Fiscal Review
should be directed to:

Ministry of Finance
95 Grosvenor Street, Queen's Park
Frost Building North, 3rd Floor
Toronto, Ontario M7A 1Z1
Telephone: (416) 325-0333

ISSN 1483-5967